12 - The Elements of Great Managing
Rodd Wagner and James K. Harter, Ph.D.
Gallup Press, 2006

As summarized by Kent M. Blumberg

The Gallup Press recently released 12: The Elements of Great Managing, by Rodd Wagner and James K. Harter, PhD. The book is an extensive exploration of Gallup's employee engagement model, which is based on 12 elements.

Gallup first explained these elements, and the research that led to them, in 1999's First, Break All the Rules: What the World's Greatest Managers Do Differently (Marcus Buckingham and Donald O. Clifton). That book, though, devoted only a chapter or so to the model, and was based on only a few years of research. The latest book is based on ten times as much data, and is jam-packed with research results and anecdotes to help you understand each element.

In the coming pages, I'll summarize each element. First, though, I want to focus on a few basics.

- The model is based on extensive research. This is not somebody's hypothesis about how to improve business results through employee engagement. It is a tested model that meets the criteria for evidence based management.

- The elements of the model are things you can improve in your operation. They are actionable, in other words.

- Gallup has been able to show statistically significant correlations between improvements on these 12 elements and improvements in a wide range of business outcomes.

- The model gives you a way to take action on every leader's favorite cliché: "Our employees are our greatest asset." Using the model, you can measure how well you are living up to that statement and you can make it truer.

- Page 200: "Enterprises that wouldn't think of letting an accounting school dropout run its finances, a [Luddite](#) run IT, or a klutz supervise safety routinely let dislikable, insincere, or aloof men and women assume stewardship for a crew of the company's ostensibly greatest assets." Gallup's book can help train some of those horrible managers to be better leaders, or at least help you recognize them and get them out of positions where they can do harm.

The 12 elements of great managing are:

1. I know what is expected of me.
2. I have the materials and equipment to do a job right.
3. I have the opportunity to do what I do best every day.
4. In the last week I have received recognition or praise.
5. Someone at work seems to care about me.
6. Someone at work encourages my development.
7. My opinions seem to count.
8. I am connected with the mission of my organization.
9. My coworkers are committed to doing quality work.

10. I have a best friend at work. (See this article for an expansion of this element.)
11. In the last six months, someone has talked to me about my progress.
12. In the last year, I have had opportunities at work to learn and grow.

More on all of this coming up below. In the meantime, you might buy the book, visit Gallup's website, or read John Moore's outstanding summary of the 12 elements.

[Author's note: This document originally appeared as a series of articles on my website, Leadership, strategy and performance. I have retained links to further information that were published at the bottom of each post, along with any reader comments that add to our understanding.]

Also see these related articles from my archives:

Monthly coaching sessions which describes an approach to ensuring that many of these elements get one-on-one attention.

Employee Engagement which describes the 1999 book and suggests a method for making progress on the elements.

Read more posts like this in my "Leading Change" category.

Element 1 - Job Clarity

The first element of great managing is what the authors call "knowing what's expected."

Gallup's data show that groups which more strongly agree with the statement that, "I know what's expected of me at work" turn in higher productivity, profitability, customer satisfaction and safety performance than groups which do not strongly agree.

What we're talking about here is not just understanding my own job, but knowing how it fits into the roles of others; how my job contributes to the whole. The authors offer two analogies: the flight deck of an aircraft carrier and a symphony orchestra. In both cases, each person must not only know his or her own role extremely well, but also how to fit seamlessly into the entire effort.

Another key distinction is that it is not clarity about process that matters. What really makes a difference to employee engagement and results is clarity about outcomes. Not, "here's what we need to do," so much as, "here's what we need to achieve."

You don't get your team to this level of knowledge simply by telling them. You need to test understanding by watching behavior - are people working toward the goals you set? If so, they probably understand your expectations. If not, you need to find other ways to achieve job clarity.

By way of illustration, the authors include one success story in each chapter. This chapter focuses on Nancy Sorrells, who used job clarity to help turn around the performance of a WHI hotel in Dallas (The Marriott DFW-South).

For more info:

- Individual Performance Planning explains how to help individuals set SMART goals that meet your expectations.
- Focus explains the importance of setting a few key goals for your organization.
- My Three Most Influential Teachers includes the story of how I learned the importance of a focus few expectations for my organization.
- Read more posts like this in my "Leading Change" category.

COMMENTS ON THIS SECTION:

Hi Kent

Another one for my wish-list I think.

Knowing not only what's expected from/in your job but where in the whole organisation (even if it's a two-men-band) is most important in creating a) job-satisfaction and b) becoming/creating a better organisation/company.

Spend 19 years with a company where the latter knowledge wasn't always 'shared' and that simple fact caused grieve, wasted opportunites and extra costs.

Posted by: Karin | February 19, 2007 at 08:27 AM

"I know what's expected of me at work"
People with those skill are definitely leaders. It explains that if you want to be a good leader, you must be a good follower first.

Posted by: Pamela | February 20, 2007 at 03:03 PM

Element 2 - Materials & Equipment

The second element of great managing is what the authors call "Materials and Equipment." This is about the extent to which your team strongly agrees with the statement, "I have the materials and equipment I need to do my work right." In Gallup's database, less than 1/3 of work groups strongly agree with this statement.

That's a problem, because Gallup has found that the lack of the proper tools and equipment is one of the greatest stressors at work. Most of us want to do a good job. When we don't have the resources to do that, we get angry and frustrated. In America, two-thirds of those who say they don't have the tools and equipment they need at work also report bringing stress home. Among those who feel adequately supplied, only one-fourth bring stress home.

Groups who strongly agree that they have what they need at work have higher productivity, higher customer engagement, better employee retention and fewer injuries than groups who are not as well supplied.

This is not a tough element to improve *if* you are listening to your team. Ask your team what they need to do their job right. And then, do everything you can to get it for them. If it is something simple, like a different style of safety glasses, just do it. If it requires approval from those above you, go to work to get that approval. And help your team find a work-around in the meantime.

When we asked this in a large manufacturing plant in Louisiana, nearly all the maintenance groups gave a low score on this element. We asked them why, and what could be done to improve the situation. It turned out that, in our zeal to cut storeroom inventory, we had removed many of the spare parts they needed to make repairs quickly and safely. They were wasting time looking for parts we no longer held, and then waiting for delivery from the supplier. In the meantime, their customers in operations were ranting about the lost production time. So, with the help of the maintenance teams, we began a careful restocking of the parts they needed to get the job done.

The authors tell the story of Enio Wetten, manager at Owens Corning's fiberglass plant in Rio Claro, Brazil. As Wetten says, "The one who knows what he needs is the one doing the job." So, if your team does not feel adequately supplied, ask them what they need. And then make it happen.

For more info:

- This interview with the authors explains their rationale for writing the book, the research underlying it, and what they hope you will take away from it.
- ARIA demonstrates the key place Resources play in employee engagement.
- Making Sensible Capital Investments will help you get the money you sometimes need from the corporation in order to provide what your team needs to succeed.
- New Book: "12 - The Elements of Great Managing" summarizes the book.
- Read more posts like this in my "Leading Change" category.

COMMENTS FOR THIS SECTION:

Already looking forward to the next concept.

My own 'worst' experience in this materials/equipment concept was when I was just 'promoted' to the sales department to create management reports out of available computer data. Using a simple ABC statistic (also known as Pareto: 20/80, 20 % of products create 80% of sales) on the 'small drums' sales (I worked for an Alcohol Factory) showed that one of the 'best' selling product - alcohol denaturated with a specific other product - was filled through the 'manual' tap instead of through the automated tap.

All in all it took managment over 6 months to agree to invest in other line to this automated tap for this specific product, wasting many hours of the 'filling' department (creating over-time and delays on other products) and more and more recentment because my report (as non-managment) had become a known fact throughout the factory.

Simple statistics (and following up on it) can make life so much simpler.

Posted by: Karin | February 21, 2007 at 07:19 AM

Element 3 - Matching strengths to jobs

The third element of great managing is matching each person's unique talents, skills and knowledge to the needs of the team. Mid-twentieth Century motivational writers and speakers often told us that anyone could do anything. While that might seem uplifting on the one hand (no limits) it also was unrealistic. No matter how hard he tries, for example, a 5' 4" basketball player is not likely to excel in today's NBA.

Research over the last three or four decades has shown, in fact, that each of us is born with a unique set of talents. To the extent that we develop those innate talents into strengths, and then apply that unique set of strengths to our work, we will be more engaged, more productive and happier. On the other hand, if we focus on fixing weaknesses, we will be less productive, more frustrated, and less engaged.

Gallup's data show a strong correlation between employees feeling like they have the chance to do what they do best every day and business results. The authors claim that managers who focus on the strengths of their employees turn in results that are twice as good as managers who focus on fixing the weaknesses of their employees.

The main story in this chapter is about Klaus Welte, VP and Plant Manager of Stryker's Freiburg plant. I've visited Stryker's headquarters in Kalamazoo, Michigan, and can tell you that they are fully committed to understanding the strengths of their employees and deploying them accordingly.

Klaus and his organization faced a huge problem when testing equipment for hip replacement surgery. The authors tell the story of how Klaus put together a team that solved the problem quickly and completely, in time for the formal launch of the product. Klaus says he asked one simple question as he built this winning team: "Who is the person that has the best ability to fit into that puzzle and fulfill the specific role that we need at this time." And it was based on his understanding of each person's specific strengths.

For more info:

- "Now Discover Your Strengths" is a summary of the book of the same name by Marcus Buckingham and Donald O. Clifton. That book introduced Gallup's conclusions about strengths psychology. It has recently been updated in a book called StrengthsFinder 2.0: A New and Upgraded Edition of the Online Test from Gallup's Now, Discover Your Strengths by Tom Rath.
- Read more posts like this in my "Leadership Development" category.
- This post by Michael McKinney highlights a couple of other books about strengths development.

Element 4 - Recognition and Praise

The fourth element of great managing is providing regular and specific recognition and praise.

Gallup measures how strongly employees agree with the statement, "In the last seven days I have received recognition or praise for doing good work." Note the seven day restriction. Gallup has found that this qualifier is required to sort out high performing groups from also-rans. While it sounds like a tough measure, the truth is that the best managers are *always* finding things to praise.

And it makes a difference. Gallup's data show that positive answers to this element correlate with at least ten percent higher productivity and revenue, and with 50 percent lower employee turnover. Praise outnumbers blame by a ratio of 5.6 to 1 in high performing teams, and by a ratio of five to one in good marriages. Praise and recognition works!

Should you doubt, the authors provide several examples. My favorite is [the story of Elzbeita Gorska-Kolodziejczyk](), who runs the warehouse at International Paper's paper mill in Kwidzyn, Poland. International Paper bought control of this mill in the early nineties, and it has a stellar reputation within the company.

Ironically, one of the best examples of this element in my personal life is George Veal. George also runs a paper mill warehouse, this one in St. Francisville, Louisiana. George took over a mess, and has created one of the neatest, cleanest and happiest warehouses I've seen. Part of that is his instinctive ability to spot and recognize success.

The giver of praise wins, too. The authors report on a study that showed giving careful praise increased happiness and decreased depression *of the givers*.

And praise is almost zero cost. You don't have to buy anything, and verbal praise actually works better than financial incentives anyway. All you have to do is notice and recognize good stuff.

So why do less than one-third of us feel frequently recognized?

For one thing, scientists have confirmed that we are hard-wired to notice bad things (called the Negativity Bias). For whatever reason, it is much easier to notice things gone wrong than to notice things gone right.

Another thing holding us back is that many of us feel we don't know how to give praise. Some managers like to say they just aren't very good at giving praise. Not acceptable! As the

authors point out, "Would the same leaders also dismiss themselves from financial results by saying, 'I'm not very good with math'?" Of course not. We would never accept such a disclaimer from one of our managers, and we shouldn't accept it when it comes to praise and recognition. We need to require folks to learn how to do it.

And it isn't that hard. I have provided a nice little framework to get you started. Have a look at my post on giving feedback. Use your monthly coaching sessions to understand how each individual likes to be praised, but remember not to confine recognition to just those sessions. People need praise at least once every week.

Be sure to make your praise and recognition fit the needs of the recipient. You need to know your team. Some will prefer public recognition, others want it in private. And you need to praise them for doing things *they* value, for using *their* strengths. If someone praises me for being careful and cautious, for example, it doesn't feel like praise. However, if someone praises me for making a great presentation, or bringing focus to a chaotic situation, I'm all smiles. Each of us needs recognition of our own unique skills and results.

Figure out how to notice and recognize what your folks are doing well and build recognition into your daily routine. It will pay off quickly for you.

For more information:

- "Do financial incentives work?" presents the science behind my assertion that verbal praise works better than incentives.
- Smiles are a form of positive recognition. "How smiling works - two views" presents the science of smiling and the intuitive benefits of smiling.
- "Gratitude: Is That A Stone On The Hill?" is Jim Clemmer's story (via Michael McKinney) that illustrates the crushing power of negative feedback.
- "Focus on...Strengths and Success" collects the thoughts of four authors on the power of a positive focus.
- Read more posts like this in my "Leadership Development" category.

COMMENTS ON THIS SECTION:

Hi Kent

Good read again, thanks.
As for 'givers gain' I think that has been the blog 'topic' of last week (Liz's, Mike's and many more).
Compliments and praise went to and fro and we all enjoyed ourselves doing so. And it 'inspired' some to write specific blog-post on the subject too!

(And we're not even in a 'business environment together, but that hardly counts - it just proofs the statement you make)

"For one thing, scientists have confirmed that we are hard-wired to notice bad things (called the Negativity Bias). For whatever reason, it is much easier to notice things gone wrong than to notice things gone right".

I think that people tend to notice the bad things more than the good ones because we are afraid of failures and want to do everything in order. Noticing the bad things makes us aware of what we need to do to avoid another failure.

Pamela, interesting way to put it. The way you bring it makes it a 'positive' thing: learning from mistakes.

I'm afraid 9 times out of 10, failing is still seen as a negative thing and should be avoid (even if avoiding means: not telling - which on its own stops the learning process dead in its track).

I'm reading: "The Knowing-Doing Gap" at the moment and this is one of the (many) items discussed in the book.

Karin and Pamela,

The authors postulate two reasons for this negativity bias. First, they say, we are essentially selfish creatures. For example, we feel our own hunger very personally. There is no way to feel another's hunger as deeply. Second, our brains apparently devote more space to recognizing danger (negatives) than to recognizing good things. And that's a good thing, too, because it probably helped us survive in the wild spaces of our collective youth.

Kent

Posted by: Kent Blumberg | February 27, 2007 at 02:56 PM

Element 5 - Caring about the people you work with

The fifth element of great managing is caring about the people you work with. Gallup measures this by asking how strongly employees agree with the statement, "My supervisor, or someone at work, seems to care about me as a person."

You cannot order and demand your way to success - at least not for long. Frank Belleque taught me that early on. Success in business requires mutual commitment; employees toward each other and their company, and company toward its employees.

Henry Ford asked, "Why is it that I always get the whole person when what I really want is a pair of hands?" Well, the truth is, you *do* get a whole person. And if you want to build that person's commitment to you and your company, you better show your commitment to them, by genuinely caring about them.

Abraham Maslow thought that we have a hierarchy of instinctual needs. The most basic of those have to do with physical survival (food, water, air). Next up come safety and security.

The third level in Maslow's hierarchy of needs is the need to belong. That's where this element of great managing fits in - if I feel that someone at work cares about me as a person, I am more likely to feel I belong. And thus more likely to give my commitment to the group.

Gallup's data show that people who feel that someone at work cares about them are more trustworthy, and more likely to stay with the company. In fact, in industries with traditionally high turnover, those who feel cared about are 22 percent less likely to leave than those who don't feel cared about at work.

How do you show that you care? Here are my suggestions:

1. Care. Be genuinely curious about the people you work with. Find out the names of their significant others. Find out what they do after hours. Be interested. But don't fake this - the worst thing you can do is ask someone how they are doing, look over their shoulder as they answer, then quickly move on to the next person.

2. Be a real person. Show some humility. Be human.

3. Listen. In fact, use all five of your personal leadership tools.

4. Help people see their strengths and build on them.

5. Insist that managers below you either adopt caring behavior, or leave.

For more information...

- "Friendships at work" has some further suggestions that might help you get to know your team better.
- "Giving to your network face to face" will give you several more ideas for building connections to folks.
- "Becoming the best at Qwest" profiles Larry Walters, a Qwest call center manager cited by the book's authors as embodying the fifth element of great managing.
- Read more articles like this in my "Leadership Development" category.

COMMENTS ON THIS SECTION

I thinks it's normal for people to feel insignificant if they think that nobody cares for them. Negative thoughts will enter their mind and decrease their working performance.

  Posted by: Pamela | February 28, 2007 at 02:41 PM

Pamela,

I agree. It's really common sense. And it's surprising how big the impact is - 22 percent lower retention.

And, given that it is common sense, why don't more managers care?

Kent

This reminds me of one of my favorite things to say for the guys that worked for me. When they came into my office with that nervous look on their face because they had stayed up all night thinking about taking a job offer somewhere else, I'd respond "you need to do what's best for you and your family." And I meant it. And they knew it.

I don't feel loyalty from an employer. Its a negative perspective, and perhaps one day I'll feel the love again, but the love, company culture, family culture and all that warm-fuzzy stuff can end if you are in an "at-will" state - and it did for me. Give someone all of your heart, life, sacrifice family time and events, and then you get cut off with barely a thanks (or, an obligatory thanks).

I think the MOST important way to show you care about an employee is to care more about them as a person than as an employee. I didn't want my guys to leave because they would be hard to replace. But I did want them to move on in life, accomplish greater things, achieve their personal goals, etc. And it gave me great satisfaction to see them move on and succeed.

And the cool thing? Since we've all had at least one job transition since then, our relationships continue strong. They are a bigger part of my career strategy than my employment was - the network contacts are super-valuable.

Posted by: Jason Alba | March 02, 2007 at 07:06 AM

Element 6 - Mentoring

The sixth element of great managing is mentoring. In some ways, the authors believe we should look at this element as the foundation of all 12. That's because only one percent of those who don't feel mentored are "engaged" at work. Of those who do feel mentored, two-thirds are engaged.

Mentor was a friend of Odysseus, a mythological king who left home to fight in the Trojan war. While he was gone, Odysseus asked Mentor to watch over his son and castle. Mentor acted as a guide and counselor to the son, helping him navigate the treacherous waters of youth.

We still see our mentors as personal guides, helping us sort out how to make our way successfully through life. We may find that our manager is a great mentor, or we may find a peer or a third party is more effective as our mentor. No matter who it is, when we have one - a person at work who encourages our development - we are much more engaged than when we don't.

There is apparently science to explain the mentoring effect. The power of watching someone do something and learning from that stems from something called "mirror neurons." See the book for more on this, but the upshot is that "manager see, manager do" is a powerful way to learn and grow.

What can you do to be a great mentor to those around you? Apparently, it helps quite a bit if your manager is a strong mentor to you. So by extension, the better you are at mentoring your team, the more likely they will be to act as mentors to their teams. Listen to your folks and strive to understand them. In particular, look for their latent talents and help them see how focused investment in those talents can turn them into strengths.

My growth has certainly been helped along by several mentors over the years. Bob Piziali helped me find my field of study in college. Rod Brown helped me learn the power of focus. Dave Spence taught me how to listen. Chris Liddell taught me how to imagine, and then create, a better future. And Jason, Mike, Dan, Liz and others have helped me learn how to be a more effective writer for the web.

Who have been your mentors? And who are you mentoring now?

For more information...

- "Monthly coaching sessions" offer one venue for mentoring your team.
- Early this year I wrote about "Helping new leaders get a great start."
- I find Max DePree's "Leadership Development Questions" particularly helpful in mentoring my team.
- And these questions from Jeffrey Phillips are also useful.
- Read more articles like this in my "Leadership Development" category.

COMMENTS ON THIS SECTION:

Hi Kent, hard to believe that I could teach you anything about writing (or anything for that matter).

Interesting post about mentors... I have had several over the years. Fortunately the boss of a boss changed my attitude and career future as she was one of the smartest, successful, wisest people I have ever met. I have been "mentored" by biographies or autobiographies, off the top of my head I'm thinking of the Jack Welsh books. I've had technical mentors, business mentors, life mentors.

An interesting thing about the mentor relationship is that it happens at two levels. Let me use you as an example, as I consider you to be on of the most influential mentors that I've had (no kidding!).

The first level is our discussions (e-mail, phone and face-to-face). I've gotten a lot of value out of the discussions, and you have walked me through various processes or issues. This is the obvious way to mentor.

The second level is just knowing that you may be looking at what I'm doing, reading what I'm writing, etc. I frequently ask "what would Kent say/think about this?" Just knowing that I may have to discuss my action or reaction with you (and other mentors that I respect) make me think twice about certain things. So there is an influence even when you don't think you are mentoring.

(yep, I just made this first-level/second-level thing up... but it makes sense to me :p)

  Posted by: Jason Alba | March 02, 2007 at 06:55 AM

Hi Kent, Jason

Mentoring, mentors (I could write a book about it ;-), so far managed a blog-post on the subject:
http://www.thekissbusiness.co.uk/2007/01/mentors_ponderi.html

I feel very fortunate indeed to have an excellent mentor (who would never call himself that, interestingly, too shy/humble) and had one of our usual lunch-meetings with him only yesterday.

Boy, does he know how to listen, agree, acknowledge and then starts to point at other perceptions, other - better? - ways to proceed. All in gentle advice, never "this is how you should do it, period", always my character/ways/experiences/circumstances in mind.

I owe that man so much already, and yet he keeps giving, keeps helping me (and our company) growing. I am very, very rich!
(And can abolutely relate to what Jason describes about 'what would... etc', in fact I find that a very comforting thought to know that if needed I could even ask that question out loud)

  Posted by: Karin | March 02, 2007 at 07:35 AM

Jason and Karin,

Thanks for dropping by, my friends. You both are so good at adding to the conversation.

Jason, you are so right about the second level, now that you mention it. I still hear the voices of my mentors, and think about what this one or that one would say.

Karin, your post is excellent and I hope many readers will follow the link in your comment. I particularly like your point about how your mentors just "turned up" when you needed them. I

have seen formal mentoring programs and I don't believe they work. What works is two people finding each other at a time when one needs help and the other wants to give.

You two are great!

Kent

  Posted by: Kent Blumberg | March 02, 2007 at 08:11 AM

Hi Karin :) Great link out to your post in January. Its nice to know that people I think would qualify to be my mentors have their own mentors - that they are continuing to sharpen their own saws.

  Posted by: JibberJobber Guy | March 03, 2007 at 05:21 PM

Kent,

I've really enjoyed your comments on the book. As you've read in the book this principle has deeply affected who I am and how I lead.

Thanks for your insight!

  Posted by: Pete Wamsteeker | March 04, 2007 at 08:11 AM

Pete,

Thanks for dropping by. I'm glad you are enjoying my thoughts. I certainly enjoyed reading your story in the book.

For other readers, Pete is profiled in the book. As one of only 12 people selected from Gallup's massive database, he's pretty special. Read the book for more.

Kent

Posted by: Kent Blumberg | March 04, 2007 at 12:59 PM

Element 7 - Valuing Employee Opinions

"Don't ask me. My opinion isn't worth a lot around here."

This is what a Northwest Airlines flight attendant told Rodd Wagner on a June 8, 2000 flight from Minneapolis to Chicago. Does this sound like something one of your employees would say to a customer?

If so, you've got a problem.

Gallup's data show a strong correlation between respect for employee opinions and business results. Gallup asks a person's level of agreement with the statement, "At work, my opinions

seem to count." Higher agreement with this statement corresponds with better safety, customer loyalty, productivity, employee retention and profits.

Why? Probably because helping to come up with the solution to a problem increases employee ownership in making that solution work. Tell me exactly what to do and I'll give you malicious compliance, or at best, sullen capitulation. Ask me how I think it could be done, and I'll do everything I can to make my idea work. (Remember the lesson Frank Belleque taught me years ago.)

It's about respect. Respect for people, for their roles, their skills, their experience, their ideas - their brains. Frederick W. Taylor was wrong - workers are more than just bone and muscle. Workers are complex personalities and brains. You want to really supercharge your business? Ask your folks to bring everything to work, including their brains.

We have all seen negative examples of this element. The authors offer up the flight attendant, and Henry Noll. Henry Noll was a steel worker who became the primary object of Frederick W. Taylor's scientific management theory. Taylor told Noll to do just what he was told, and not to think about it. Taylor wrote a book, "The Principles of Scientific Management," that was extremely influential in the mid-twentieth century. Unfortunately some of us still cling to Taylor's ideas.

Mike Schaffner found an interesting negative example the other day. Apparently, Convergys requires supervisors to track 50 indicators on every employee every week. Each employee is

then rated as Red, Yellow, or Green, based on the likelihood he or she will leave for another company. Seems to me this is a recipe for losing more folks, not for improving retention. Not only are employees turned into objects, but their supervisors have no time to listen to them. Instead, they are busy compiling data and rating employee flight risk. Why not just listen to people, find out what's on their minds, and do something about it?

Like so many of the concepts in this book, this one seems like common sense. But surprisingly few employees feel their opinions count at work. So you and I still have much to do. Start looking to your team to help you solve the problems you face. Ask them what they think, and then do something about it.

For more information:

- One-third of my suggestions in "Leading Safety" revolve around listening to employees and taking action. Listening is a cornerstone of safe operations.
- See "Listening to the Periphery" for a wealth of listening resources.
- "How listening saved a mill" is a story about the best listener I have worked for.
- "Is it safe for your employees to disagree with you?" offers ten signs of an unsafe leader. At least four have to do with failing to value employee opinions.
- Read more posts like this in my "Leading Change" category.

COMMENTS ON THIS SECTION:

Hi Kent

Strange not, that common sence isn't really that common?

You mention the 50 indicators, this is something I'm reading about at the moment (The Knowing-Doing Gap) and is one of the 'stumbling blocks' in many situations where companies should be albe to implement all the available knowledge (in-house) into actions.
More times is spend (wasted) on 'ticking' boxes/internal competition/turf wars than on listening and hearing and most importantly learning from others.

  Posted by: Karin | March 05, 2007 at 07:52 AM

Karin,

Agree with you on the box-ticking problem. Have a look at Mike Schaffner's post (see link above). There is a pretty interesting thread of comments.

Kent

  Posted by: Kent Blumberg | March 05, 2007 at 01:45 PM

I agree entirely, w/ one tweak. You mention that employee ownership of the problem leads to better solutions, and I couldn't agree more. But what about owning the company too, so you

share in the benefits you are creating, rather than just creating value for someone else? Reminding people that they should "own" the problem, without sharing the spoils when we win, always strikes me as a little manipulative. As my friend and colleague Corey Rosen (www.nceo.org) says, it's like asking someone out to lunch....to watch you eat. That way, they get a "sense of lunch." How 'bout sharing the actual lunch -- i.e. if we're asking people to share solving the problem, let's share the rewards too, through real employee ownership. I'm sure you address these issues elsewhere, I'm just jumping on your powerful suggestion about ownership in theory and suggesting that we need to make it real too. You talk about Gallup -- there are some very interesting new findings out from the General Social Survey on these issues, I'll find a link if there's any interest.

Thanks for your thoughtful comments as always.

Alex

  Posted by: Alex Moss | March 06, 2007 at 09:16 AM

Alex,

You gave me a lot to think about.

I'm no expert on employee ownership of companies, as I have not worked in any organization with wide employee ownership. So what follows is first my opinion, then a wee bit of data from a couple of authors.

First of all, I do have experience raising employee engagement by listening to what people think, responding thoughtfully, and taking appropriate action. I know that "valuing employee opinions" works to increase employee engagement without any changes to pay or ownership policy.

Second, I have had the opportunity to own equity (shares) of businesses for which I have worked (whether through personal purchase using my own money, through grants or options). And such ownership did not do much for my personal motivation. The connection between what I did and what happened to stock price was just too distant to be meaningful.

While I am not against employee ownership of some or all of a company, I just don't believe such ownership makes much difference to employee engagement.

The authors of "12" are pretty clear, in the chapter on pay, that money doesn't buy motivation.

Pfeffer and Sutton, in "Hard Facts, Dangerous Half-Truths and Total Nonsense" write that if outcomes are out of employee control [certainly true for most employees when it comes to share prices], then they are likely to be demotivated, rather than motivated, by the incentives. And Pfeffer and Sutton also note research that shows that people are much less motivated by money than we think they are.

Bottom line for me: I don't know what effect employee ownership of the company will have on employee engagement, although research seems to suggest the effect will be neutral or

negative. On the other hand, I do know that valuing employee opinions will improve business results. So that's what I try to do.

Kent

Posted by: Kent Blumberg | March 07, 2007 at 08:48 AM

Hi Kent

If I can add the following I read in the same book - Hard Facts..- which really hit this on the head:
why should one work to maximise the shareholders value, when shares are hold by most shareholders less than 1 day!

On the other hand: rewards/sharing the profit from 'being' heard is in my regards knowing, realising that the company is doing great, fine etc and your job is 'secure'.

Posted by: Karin | March 07, 2007 at 08:59 AM

Element 8 - Connection to a Noble Purpose

According to a study by Amy Wrzesniewski (quoted on page 114 of Wagner and Harter's book), "...money is losing its power as a central motivator." Meaningful work often trumps higher pay. That's what this eighth element is all about.

We all want to feel that our efforts at work are helping our organization achieve something special. There are two parts to this. First, we need to understand what our organization is trying to achieve and believe that such a purpose is worthy of our efforts. Second, we need to understand how our contributions help achieve that purpose. We need to see the link between what we do and what our organization is trying to accomplish for the world.

As you think about mission, think about who your organization is trying to help.

[Hint: your customers.]

And what are you trying to help them with? How are you trying to make their lives better? That's your mission.

Gallup found that less than half of all workers in their database strongly agree with the statement, **"The mission or purpose of my company makes me feel my job is important."** And they apparently found little difference in the responses across industries. People in nasty jobs (septic tank pumping, for example) sometimes felt a strong connection to a mission, while people in caring roles (hospital workers, for example) sometimes felt very little connection to a mission. The apparent cause of high connection to a mission was the immediate supervisor's connection to a mission and ability to communicate that to her team.

Gallup found that this connection to mission diminishes with the worker's distance from the top of the organization. At the top, 2/3 of respondents agreed with the statement. Out in the field (those people who actually work with customers) the level of agreement was less than one-third.

Think about what that means. First, it means that 1/3 of the companies surveyed are led by folks who don't feel their jobs are important! That is a bit scary in itself. Worse, though, is that the most important people in your organization - those who produce the goods and deliver the services to your customers - are the least likely to feel their job is important to the company's mission. Wow!

It's easy to see how that will impact on customer engagement and loyalty. But Gallup also found that high scoring work groups had higher profitability, lower accidents and lower turnover. Add it up, and you've got another element of culture that translates to bottom line results.

The example in the book is an [engaging and gripping story of the successful on-time opening of Cabela's Wheeling, West Virginia store.](#) The lead character is Mike Boldrick, who led the charge to make something great happen in a very short time.

The something great? [Cabela's](#) mission is to be "...the world's foremost outfitter." The way Mike made it happen? According to Michael Rock, "He believes in this, and that's what helps him sell it to everybody."

In the end, that's what will drive this element of engagement in your organization. At the top, you must believe in the mission of your organization, and then sell it to everyone else.

What if you aren't the CEO, and yet you still want to energize and align your team? Work out, together, what you can do to make the lives of *your* customers better. Let that be your mini-organizational mission. For example, the IT department that worked in my division in one company set themselves the task of *helping all of us in the division make our decisions better, faster and easier*. It didn't matter what the company's purpose was, that IT department mission was enough to get them out of bed and eagerly at work every morning, ready to make something great happen.

You can do the same in your neck of the woods.

For more...

- Linda Zdanowicz writes about [how this element plays out in a dental practice](#) and at the Ritz Carlton. I love her take on it.

Hi Kent

Now I'm sure I have to put this book on my wish-list ;-)

The Cabela link is a great story and while reading it I could lively imagine the 'chearful' hussle and bussle going on there.

It also reminded me how such an 'exitement' can be killed very easily by a manager - as happened in the factory I worked for. After a huge fire - alcohol hardly stops burning! - all employees were called together into a meeting to 'get things going' again, fast and structured. Everyone was willing to 'give more' in this situation, work longer, harder and doing things/tasks they normally didn't do. Next day there was the same kind of meeting and same 'together we will get through this' until on the third day meeting the CEO said: we can't keep holding meetings like this, you're paid to work, not to attent meetings.

Less was done, mentality of helping eachother disappeared overnight. Just by one little remark caused by of not noticing what 'greatness' was going on.

Stupid, not?

Posted by: Karin | March 07, 2007 at 07:51 AM

Karin,

Wow! That comment would have deflated me completely. Some folks just don't understand the importance of emotions in business.

Kent

Posted by: Kent Blumberg | March 07, 2007 at 08:11 AM

That was exactly what happened. You could even see it happening, everybody kind of deflated, dropped shoulders and that was that. Sick-leave (post traumatic stress) was high that day, everybody felt 'stabbed' in the back, sickened by that remark and attitude of the CEO.

Posted by: Karin | March 07, 2007 at 08:27 AM

Element 9 - All for one, one for all

"One of the worst one-two punches to a team's *esprit de corps* and productivity is having a slacker in their midst and a manager who lacks the spine to do anything about it." (Page 134)

Most of the elements of great managing have an affirmative, positive feel. We can imagine ourselves enjoying listening to employee ideas, working on employee development, appreciating good work and the like.

This ninth element is tougher, though, because there just isn't anywhere for you - the leader - to hide. Set standards high and early, and maintain those standards, or you and your team's performance will suffer. Your team is counting on you to handle this, and only you can do it.

I know this one is hard to do. I have struggled with it through much of my career. Often, I get it right. But there are some painful and glaring examples in my past where I failed miserably on this element. And I lost good team members because of it.

According to the research cited by Wagner and Harter, most people enter a new workplace prepared to give their energy and commitment to the success of the team. However, if slackers are not punished, some will eventually lay back and let others shoulder more of the burden. If management does not punish the lazy, coworkers will. But in order to get the highest team productivity, that team's leader must set clear standards and make it clear that she will punish those who refuse to pull their weight.

If someone on your team is not contributing as he should, you first need to figure out whether the issue is one of attitude or aptitude. If Steve has all the skills he needs but still fails to pull his weight, you need to remove him quickly. If, on the other hand, he has all the will in the world, but poor skills, your job is a bit tougher. You need to decide if he can gain the required skills fast enough to help the team. If not, you need to find another role that better matches his skills. Regardless, you can't let Steve drag the entire team down.

Nancy Sorrells, the hotel manager profiled in the first chapter, said it best:

"Whoever is the lowest sets your standard, no matter what you say to the contrary."

It's up to you!

For more information:

- "'One Store, One Team' at Best Buy" tells the story of how Eric Taverna worked with his managers and store employees to increase the score on this element.
- "When you have to fire someone" will help you if that is what you must do to enforce your standards.
- "Diagnostic Questions for Teams" is Bob Sutton's tool for helping you understand this and other issues of team effectiveness.

Element 10 - "I have a best friend at work"

This is the one that bugs most people. "I have a best friend at work." How can that have anything to do with business success? In fact, won't that get in the way of success?

Not from the work Gallup has done. In fact, the Gallup folks would long ago have deleted this question from their engagement surveys but for one thing - it predicts business results.

On page 150, Keshavanand Prabhu says, "I know that I'm not going to be left alone and I'm not going to be blamed if anything goes wrong, because I will always have somebody to help me out, to take me out of the water if anything is wrong."

It's that level of trust that explains Gallup's findings that having a best friend at work can help drive business success.

Gallup's data show that close friendships at work correlate with higher profitability, lower accident rates, less inventory loss (shrink), higher customer engagement, and happier folks. The statement, "I have a best friend at work," seems to measure trust. And trust seems to be a key component of high engagement workplaces.

The authors tell the story of Dr. Suresh Nagesh, who turned a group of six unhappy engineers into a high power team that routinely exceeds expectations. He did it mainly by paying attention to interactions between team members, and creating an environment that fostered friendship.

Friendships at work work. So, how do you "make" people like each other?

Well, you don't. You can't. But you can create conditions favorable for friendships to form. Last August, in my review of Tom Rath's Vital Friends, I suggested the following actions to build the sort of environment that will nurture friendships:

- Eliminate policies that discourage friendship.

- Lighten up and relax - realize that friendship is your friend, not your enemy.

- Work with your team to eliminate the barriers to interaction. For example, at a company I worked with a while back, we all had our own offices. And we kept our

doors closed much of the time. The only places we encountered each other were in formal meetings, at the copy/coffee machines, and in the restroom. Not very conducive to friendship. We decided to tear down the walls and create an open plan office. (I know, I know, open plan offices are *so* 1995.) But it worked. We designed the space together, and developed guidelines to keep disturbance to a minimum. And we got to know - and like - each other. In our case, tearing down the literal walls helped tear down the figurative walls.

- Provide opportunities for conversations to start - volunteering in the community as a team, for example.
- Take care how you bring new employees on board. Make them part of the family from Day One.

Keep Aristotle's thoughts in mind, though: "Wishing to be friends is quick work, but friendship is slow-ripening fruit." You won't decide tomorrow to foster friendships at work, and have a batch of "best friends" running around by Friday. But you already knew that. Most of what's good in leadership takes time.

[Quote found on ThinkExist.com.]

Nice one again Kent. You bring 'lots to think about' (or in my case: to remember on, having worked in an office where first the coffee break was eliminated - replaced with coffee machine in the hallway, no 'social' breaks anymore - then screens errected next to each desk to keep everyone 'focused' on the tasks at hand, which resulted in sending each other lots of internal emails about projects, problems instead of talking to each other - even when you sat 'next' to the one you emailed!)

So, bring back the 1995's ;-) or for the above memory: the 85's

I did have some good friends at work who ignored the coffee machines and the screens though, great people to have worked with and we got more done also while having fun at the same time ;-)

  Posted by: Karin | March 12, 2007 at 06:52 AM

How about a boss who refuses to pay for coffee at the airport because it is a "personal preference" and not a "legitimate"expense.

And these people were doing a round trip to China which also took up their weekend.

I'm wondering if the Muzak system at the airport was pumping out James Taylor doing "You've Got A Friend."

Posted by: Steve Roesler | March 12, 2007 at 08:17 AM

Karin and Steve,

Crazy stories. I just don't understand the reluctance to be friendly and to allow friendships at work. Always reminds me of Scrooge and Cratchet - Scrooge making Cratchet pay for coal for the fire in the office.

I wonder if there is a correlation between the height of office partitions (independent variable) and the volume of intra-office email (dependent variable). I'll bet that higher walls yield higher intra-office messaging.

Kent

Posted by: Kent Blumberg | March 12, 2007 at 08:29 AM

Kent, I'm sure you win your bet ;-)

And is has been said before: common sense isn't that widely common as one should think

Posted by: Karin | March 12, 2007 at 09:32 AM

Element 11 - Regularly talking about individual progress

Page 155 includes the following story, submitted by "Don" that describes how his annual performance review went one February:

"'I happened to be entering the men's bathroom at the same time as my boss,' he wrote. 'Standing side-by-side at adjacent urinals, he remarked that he hadn't had a chance to go over my review with me, but now was as good a time as any.' Don's manager told him he and others in the company were pleased with his work. The setting didn't quite convey genuine appreciation for Don's work. 'All of this was bad enough, and a bit humiliating since we were not alone in there, but the summation was really priceless,' he wrote. 'Walking away from the urinal, he told me to 'keep it up' in the new year.' Don doesn't work for that company anymore."

The eleventh element of great management is most definitely *not* about systems like the one Don described!

This is *not* about the formal, written, metrics-driven, annual or semi-annual form-filling exercise that so many organizations call Performance Appraisal. Such systems just don't seem to work as well as regular two-way coaching. Gallup has studied traditional performance appraisal systems, 360 degree systems and self-assessment systems and found flaws in all - at least when it comes to increasing employee engagement. In fact, it appears that most formal systems actually decrease employee engagement - sap the energy out, rather than putting it back in. They may not all be as bad as Don's, but the results are often similar.

Rather, this element is about regular, personal, two-way discussions of an employee's progress. My monthly one-on-one coaching sessions are an example of this element in practice. Those who strongly agree with the statement, "In the last six months, someone at work has talked to me about my progress" are more likely to feel their pay is fair, to stay with the company, to recommend the company to potential employees, and are more productive and safer than those who disagree with the statement.

Gallup's data show that one size does not fit all in this case, and that formal appraisal systems do more harm than good. Instead, those managers who regularly gave feedback, especially when focused on employee strengths, were much more likely to have engaged employees than those who focused only on negatives. And both types of managers were more likely to have engaged employees than those who ignored feedback until HR sent the appraisal forms.

And yet, we seem driven to make our performance appraisal systems better and better, and ever more "scientific." A Google search on the phrase "performance appraisal" yields more than

one million links. A quick glance at the first three pages suggests that most links are to firms that will upgrade your performance appraisal system, or provide the forms you need, or collect the data for analysis. A similar search of the blogosphere yields links mainly to people talking about how to do a better job of performance appraisals or how to get a better rating on your performance review.

Doing a better job of a bad thing isn't going to make our organizations better. Quite the opposite.

I've seen the power of regular performance feedback and coaching in action. At Carter Holt Harvey, we developed a monthly one-on-one coaching format (which is the basis of the system I shared with you last August). Those managers who embraced the process showed bigger increases in employee engagement than those who did not. In the ten years since I was lucky enough to be part of this change, I have used the tool consistently. I have yet to be disappointed in the value of regular coaching discussions.

For more information:

- Fred Nickols proposed throwing out performance appraisals in this 1997 article. Read the article for a great list of the hidden costs of formal performance appraisals.
- "Performance Appraisals Don't Work" is Susan M. Heathfield's passionate explanation of what's wrong with the traditional approach.

Element 12 - Opportunities to Learn and Grow

And so we come to the final element of great managing: creating an environment in which employees agree strongly with the statement, "This last year, I have had opportunities at work to learn and grown."

We all strive to attain more of our full potential as human beings. Abraham Maslow described this as the need for "self actualization." I have always felt that the minute I stop growing is the minute I start dying.

This element is about that drive to make personal progress, that push for momentum in one's career. According to Gallup, all of us feel this need, no matter what our role. Top executives are much more likely to agree that they have had the chance to learn and grow, but factory floor workers have just as much need for that growth.

The book tells the tale of [Simon Gaier], a 20-something manager of a home improvement store in Wales. Simon takes the time to understand each employee's aspirations and talents, helps each move forward in their career, and restores their self-confidence.

I wish I had been this wise at 28!

Improving this element doesn't take a rocket scientist. You just need to do a few things:

- Care about it. Even though you might feel that you have plenty of opportunity for learning and growth, don't assume your team feels the same. Open your eyes, ears and heart and find out how they feel.

- Learn what makes each person tick. What is each hoping for? What talents does each have, and which talents would they like to build upon?

- Help each person sort out a plan for growth. That plan will require you to do some things to (like assigning an employee to a special project, paying for training, or even paving the way for a transfer to another area of your company).

- Help each employee set challenging goals that will be achievable only with some new learning. The authors report that more than 200 studies have shown a strong link between stretch goals and employee performance and motivation. Be careful, though. *Unthinking* stretch goals won't accomplish this improvement. Rather, you need to work out employee-specific stretch, based on where each is today and what each might be expected to learn.

- Champion your team's development and growth needs with those above you.

For more information:

- "Leadership Development" provides several good links to development resources.
- "Year-end Reflection" offers a couple of questions to stimulate thinking about what growth you want to achieve in the coming year.
- "Leadership Development Questions" recounts 12 of Max DePree's most useful questions to ask your folks.
- "Lifelong Learning: After you think you know it all" is Wayne Hurlburt's well written story about baseball manager Earl Weaver, who said, "It's what you learn after you know it all that counts."
- "Practice Leadership - Volunteer" is a reminder of one great way to grow when you can't find a way to grow at work.
- "Monthly Coaching Sessions" is my old standby format for useful discussions of progress with an employee.

COMMENTS ON THIS SECTION:

Hi Kent

This is the last one of a great serie you've written, pitty in some way, but sure there will be many more terrific, learnful post in the near future from your 'pen'.

Anyway, it's not only great managers in your company which ar able to push you forward. When I wrote an email to my accountant/mentor on the last day of last year to report our excellent results of 2006, the first thing he did was write back with a 'challenge' for this year ;-)

Posted by: Karin H. | March 19, 2007 at 05:46 AM

About the author of this summary

Kent Blumberg spent more than 25 years in manufacturing, holding roles from energy engineer to CEO. He consistently improved market and business results for multi-site manufacturing businesses in North America, New Zealand, Australia and Thailand.

While driving business improvements, Blumberg learned how to translate his personal leadership talents into the growth of other leaders and their teams.

Now, as Managing Partner of Kent Blumberg Partners, LLC, Blumberg helps senior manufacturing executives develop their own unique set of strengths, grow their teams and energize their workplaces. When the need arises, he also helps them make successful career transitions. As a result of this coaching, executives find themselves generating better business results faster and with greater ease than ever before.

To discuss your needs with Blumberg, email him at kent@kentblumberg.com, or call him at (225) 226-0761 (US Central Time).

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