Reduce Costly People Problems

A No-Cost Solution To Transform Organization Performance and Competitiveness

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As a leader in the current global business ecosystem you face a lot of noise: claims about the effect of Artificial Intelligence (AI) on org systems, contrasting viewpoints about millennials in the workforce and what it takes to motivate them, and news that the future of work is a frightening frontier of humans versus bots.

None of this, however, ultimately makes a difference to a vital mandate: find exceptional talent and get the best from them so the company stays ahead of the competition, gains and preserves market share, and is sustainable.

Oh, for a magic wand.

In truth there are several such wands at your disposal. Leadership effectiveness is the most reliable lever, and intentionality and purposefulness help to win this race. The saying “people leave leaders not organizations” has been proven time and time again by research.

So what makes people leave leaders? And how can you offset that?

Time to explore.

Some baseline numbers on engagement and connectivity with work

In a given year, about 41% of global workers look for a new job actively; global employee engagement stats have actually been decreasing for a decade, prompting Gallup to now refer to it as "a crisis."

This all begins at one basic interaction point: employee to direct manager.

Per Hogan Assessments, in fact, 75% of employees say their direct supervisor is "the worst part of their job," and 65% of employees would prefer a new boss to a pay raise.

This probably shouldn't be surprising when we take some other research into account. For example, 95% of managers use outdated theories of motivation when working with employees, while 68% report not being involved in the career development of their employees.

Over half of employees in one 20K employee global survey indicated not feeling respected by their boss; when their bosses were surveyed, 60% said they "didn't have the time" to respect their employees.

While that statistic is certainly disheartening, as "respect" isn't something you schedule in Outlook, it points to a basic problem in the area of employee engagement and management in general.

Managers are evaluated and compensated (bonuses too) typically on specific, hard-line metrics. Work obviously can get busy. As it gets busy, they feel more and more of a need to focus on what can ultimately benefit ***them***. Unfortunately, a focus on the numbers and a focus on the people don't often overlap as they should.

As a result, many workplaces become a competing dance of "I should respect my people more" vs. "I have these targets to hit."

You can see this disconnect in some other numbers: for example, 53% of managers think work stress is caused by "inadequate staffing," but only 15% of employees believe this. (It points to the perception [and reality], of busyness that the managerial level is feeling.) 33% of managers believe "always having to answer email" is the leading cause of stress, but only 8% of workers believe this.

So the chasm we arrive at is this: managers are from Mars, and employees are from Venus. They're seemingly not even speaking the same language or thinking the same way about work -- which holds up in statistics about the lack of civility in the workplace and how less than 1 in 2 employees even trust their boss -- but still, one level needs to manage the other. And the managerial level clearly wants a "quick win" in the face of their busyness and other metrics.

What now?

The power of giving

Adam Grant of Wharton (UPenn) has done the most notable research in this area in recent years, showing that giving might indeed be the secret to getting ahead. Because much of research about work throughout history had been dedicated to alleviating the drudge work of factories through supposed productivity measures, Grant decided to turn the model on its head. He believed greater productivity could be achieved by creating a culture of giving.

This observation emerged casually. As an undergraduate at Harvard, he was selling travel advertisements and terrible at it. He met another student who was doing the job to finance her tuition, and her story made him perform better because he wanted to help.

While a graduate student, Adam designed an experiment to improve productivity in call centers -- notoriously non-engaged places of work. Because one of the center's primary purposes was funding scholarships, he brought in a student who had benefited from that fund-raising. The callers took a 10-minute break as the young man told them how much the scholarship had changed his life and how excited he now was to work as a teacher with Teach for America.

The results were surprising even to Grant. A month after the testimonial, the workers were spending 142 percent more time on the phone and bringing in 171 percent more revenue, even though they were using the same script. In a subsequent study, the revenues soared by more than 400 percent.

The study was repeated five times, with increasingly similar results. The power of giving, or service to others, seemed to be real.

Grant eventually turned this into a book, ***Give and Take***, and to celebrity within his field.

> Greater productivity could be achieved by creating a culture of giving

There has been similar research about a related concept: gratitude. 51 different studies have shown that gratitude at work can be a powerful motivator, and significantly more impactful than compensation or bonuses. Much of Daniel Pink's research and work in his book ***Drive*** is about similar ideas, specifically around intrinsic motivation.

Gratitude at work can be a powerful motivator

It's important to understand the environment here: most companies, and managers, believe that performance-based incentives will drive productivity. But recent research is actually showing that being a giving, intrinsically-aware manager might drive it even more. It turns the entire conventional system of work motivation on its head, which can be a scary proposition for the "but we've always done it this way" crowd.

For those in that crowd, ***how*** exactly does a manager appear "giving?" Since that can't show up on a balance sheet or performance evaluation necessarily, what does it look like?

Recognize your employees

This is one of the easier, cost-free, and impactful ways to operate as a manager: simple recognition of your employees outside of formal channels like the review period.

I'm going to show you how to do it, but wanted to frame up something first. In the book ***Hardwiring Excellence***, the authors (consultants) discuss four questions you can ask an employee at 90 days:

- Have we lived up to our promises to you?
- What do you think we do best?
- What have you seen in your other jobs that might work here?
- Have we done anything in 90 days where you might consider leaving?

These four questions are ***awesome*** to ask at the three-month mark. It's all about showing the employee you value them. It's an easy, cost-effective version of employee recognition ideas. So in various organizational drop-ins, the authors have asked employees one simple question:

- Has your manager ever asked you any of these four questions?

They've ***never*** heard "yes" as a reply.

Clearly, recognition isn’t that normative. But it can be relatively easy.

Consider a chart such as this, for example:

Need	Employee A	Employee B	Employee C
Career Aspirations			
What seems important to them?			
Strengths to develop			
What types of recognition do they value?			
Recognition ideas			

Make a chart similar to this for your direct reports. Do this for 3-4 weeks. See how it goes. Each week, try to find one positive per employee and quickly note it to them with a visit to their desk area. At four weeks, evaluate your relationship with them and their productivity. Both are likely on the up.

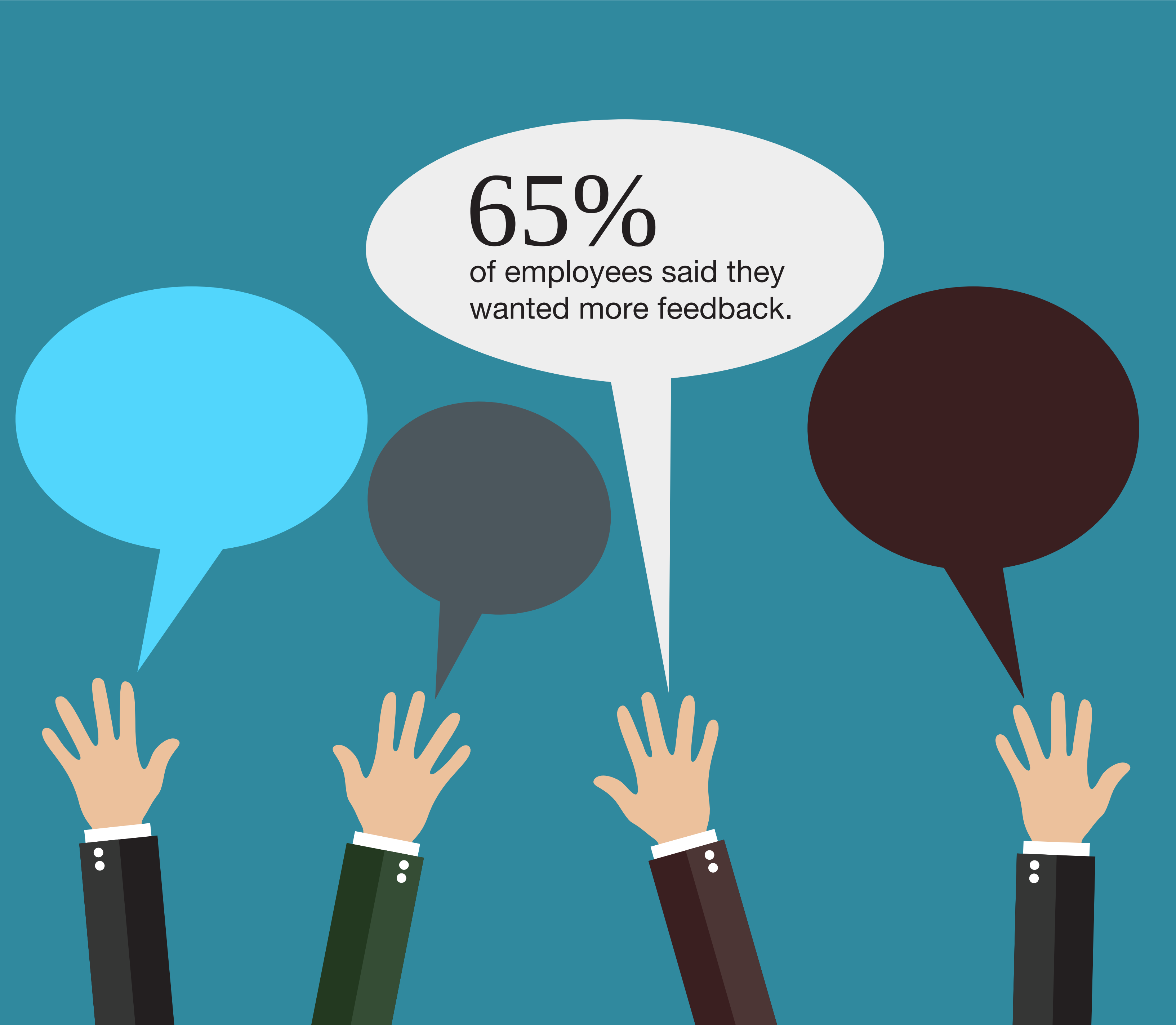
Employee recognition can take other forms, of course: a paid vacation day, coffee gift cards, or simple visits to a desk to see how things are going and how you can help. Much of recognizing others and being seen as giving is going to be rooted in conversation, however. And, in fact, a lot of it is going to be rooted in feedback cycles.

Feedback and work is a tricky dance

Consider:

98%

of employees will fail to be engaged when managers give little or no feedback.



Feedback is dicey because sometimes it needs to be negative or constructive, and that obviously will cause a degree of discomfort.

But the reality is this: the reason feedback is often uncomfortable is because its frequency is so low. We've all probably had the manager who ***only*** gives feedback at the performance review period, so that you're receiving criticism from seven months prior that you could have heard when it actually happened. Those are not beneficial feedback cycles.

There are ways to make feedback work, and most involve consistency or real-time applications. When a new hire onboards onto your team, for example, consider this scenario:

When you first start to work with someone, it's worth saying, "Hey, you're in this job, which means you jumped over a pretty high bar. I've looked at your background. I sat in on the hiring process. I know you're smart. You're capable and will work hard. I'm here to maximize your potential. And I'm grateful for the opportunity."

Use the connection point to talk about communication preferences.

That begins the arc of targeted, real-time feedback. Keep that up. It can feel like an extra burden as you pursue targets, but do some quick math: if you have 7 direct reports (average managerial span of control), and spend 10 minutes per week giving feedback to each, that's 70 minutes per week. You can get that back simply by asking 2-3 people why a specific meeting was called and whether your attendance at it is mandatory. (Meetings often have no purpose, but that's a topic for a separate eBook.)

What should the feedback look like? Glad you asked.

John Wooden was a pretty successful basketball coach. He won nine NCAA Titles, and his teams won 88 games in a row at one point. Well, in the late 1970s two psychologists studied him in an effort to learn more about the psychology behind his success. What did they do? Analyze over 2,300 of his instructional acts. Here's the breakdown:

- 6.7% were compliments
- 6.6% were expressions of displeasure
- 75%+ were information-conveying

See the difference in numbers there? It was overwhelmingly about *providing information*. You can argue Wooden is the most successful coach in any sport, ever. The takeaway of how to give feedback from this study? Make it about information.

As *Fast Company* summarizes from that study:

Feedback has an assumed intrinsic benefit: It's supposed to help us know how we're doing. But what matters is content of the feedback we're getting. Rather than praise or criticize the "what," truly constructive feedback focuses on the "how." It provides tactical knowledge on ways to improve what you do and how you do it. Without that information, we lack the resources for getting past our "OK plateaus."

You want to use feedback in a way that makes it:

Real-time
Consistent
Information-providing
And so powerful

The bottom line

There is some research that more empathetic companies (as defined by brand interactions, manager-employee interactions, financial data, social media scraping, and more) grow their market capitalization 23.3% per year, as opposed to a weighted average of 5.2% for other companies in the same data set. Average earnings of the top 10 companies on the empathy scale rose 6% per year, while average earnings of the bottom 10 companies ***dropped*** 9%.

Kim Cameron, a professor at the University of Michigan, has defined "compassionate" work cultures as places where you regularly see:

- Caring for / being interested in / maintaining responsibility for colleagues as friends
- Providing support for one another
- Offering kindness/compassion
- Inspiring one another at work
- Emphasizing the meaningfulness of the work
- Avoiding blame and forgiving mistakes
- Operating with respect, gratitude, trust, and integrity

What happens when companies display these traits?

"They achieve significantly higher levels of organizational effectiveness — including financial performance, customer satisfaction, and productivity." Cameron adds that the more compassionate the workplace, "the higher the performance in profitability, productivity, customer satisfaction and employee engagement."

There is bottom line value to all this talk about giving, recognition, compassion, and empathy. It can help you fiscally out-perform your rivals. That's one way to frame any program associated with these concepts, as a bottom-line tie typically will resonate more with decision-makers.

And remember: being a more giving boss, or offering real-time feedback, or recognizing a particularly strong project? They are all *free*. They cost the company ***nothing*** except a manager's brief outlay of time. So for no money, and a small amount of time, your rewards can be massive.

Not rocket science, no -- but truly a secret weapon of your organization.

For more on creating purpose, recognizing others, and fostering a culture of giving, contact me at:

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About The Author

Wendy Woolfork believes well-run organizations are the bane of a healthy economy. An impassioned advocate for purposefulness and courage she enjoys helping organizations remove impediments to leadership effectiveness and drive financial results. Her expertise comes from training in brain and behavioral science and almost two decades of Human Resources leadership, building and sustaining capability.

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