

Does leadership really care about the employees?

“Most CEOs I know honestly don’t care about employees or take an interest in human resources.”

These are not my words; they are straight from the CEO’s message in Gallup’s recent research report, “State of the American Manager.” Jim Clifton is the chairman and CEO of Gallup, a multibillion-dollar research organization that has become known for its analytics in the field of employee research.

Clifton goes on to state that the CEOs he knows do care about their star performers, but that it pretty much ends there. It is because of this perceived reality that he believes CEOs don’t put pressure on their HR departments to “get their cultures right,” which leads HR to try and implement ineffective strategies and plans.

I must say, I’ve seen this scenario play out time and again. Clifton is right. I’ve found that the bigger the organization, the higher the likelihood of investments in what we at my firm, Brand Integrity, call “check the box” strategies and programs. As in, check the box: Yes, we’ve redefined our company core values or created a new brand strategy. Check the box: Yes, we have an employee recognition program. Check the box: Yes, we have an employee survey.

But are these programs truly effective at creating more engagement and increasing accountability for performance? From my experience, usually they are not.

Clifton’s bold statement does not come out of thin air. He is being influenced by alarming research results with respect to workforce engagement—and I’m not referring to the well-publicized crisis regarding frontline employee engagement. For more than a decade, frontline employee engagement has barely budged, typically reported as approximately one-third of employees qualify as engaged and two-thirds have checked out—that is, they are not engaged or worse, actively disengaged (with the percentage of actively disengaged employees growing the most in recent years).

What is quite interesting is that Gallup estimates that, at any given company, 70 percent of the difference or change in em-



ON PERFORMANCE

Gregg Lederman

ployee engagement scores is due to management engagement and talent. Now here is where it gets a little scary. Gallup reports:

- 35 percent of managers are engaged at work;
- 51 percent are not engaged; and
- 14 percent are actively disengaged.

Ouch! Look around your office. Can this possibly be true among your managers and colleagues?

So, why does engagement matter? Well, almost every engagement study I’ve read analyzes factors such as:

- Willingness to provide discretionary effort;
- Willingness to stay with an organization and be productive; and
- Willingness to speak positively and promote the place of employment.

Gallup also estimates that the disengagement of management is costing the U.S. economy upwards of \$398 billion. This part is not surprising to me. Just consider the reality in your own organization. What are the metrics that matter most to you? Sales? Customer retention and loyalty? Productivity of people? Or quality, safety, absenteeism, turnover of employees? The list goes on and on. Just consider for one moment the top two or three key metrics that a truly engaged manager directly influences.

Now consider the human element. Managers who are not engaged suffer in more ways than one. Yes, they are probably quite unhappy and stressed at work and spread that unhappiness and stress to employees who then take it out on your customers. And, even worse, these managers take that unhappiness and stress home with them, negatively impacting their families, com-

munities and society as a whole.

Am I exaggerating the impact here? Think about it. OK, here is a bit more reality to make my point. There are about 40 million managers in the U.S. Approximately 90 percent of people in the workplace report to a manager. Would it surprise you to know that 75 percent of employees in the U.S. state that their No. 1 stress is—you guessed it—their boss. It has been said for years that, “People don’t leave companies, they leave managers.” And, you know what? It’s true. Always has been and always will be.

The good news is that the opposite is also true. People stay with organizations when they have a strong relationship with their manager, feel respected for the work they do, and feel as if their efforts have purpose and make a difference.

So, where do we go from here? Well, for one, let’s stop thinking that we can improve employee engagement without dealing first with the root cause of the problem: the management engagement crisis.

Here are “two stops and a start” to get you and your team, department or entire organization on the pathway to better, more effective, and trusted leadership. The following will help you in increasing engagement among managers and employees, and ultimately a more consistent and profitable customer experience.

Stop promoting people into management because they have either been in your company for a long time or because they are really good at their current role. Make sure that someone who is put into a management role truly has the talent to be a good manager. Just because someone is great in her current role doesn’t mean she has the skills or talent required of a manager or leader.

Stop trying to fix bad, unengaged managers with training. Training does not work most of the time and it certainly won’t be well received and implemented by unengaged managers.

Start the necessary conversations with managers about what engagement really looks like in your organization. Meet with

key managers to get an open and honest dialogue going. The alternative, which is to not have the conversation, only leads to fueling the management engagement crisis, more “check the box” programs and more stress at work. Remember: Stress at work not only infects employees, but also

gets brought home and spreads like a toxic disease into our communities. Instead, get the conversation going and show that leadership really does care about employees.

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