

# IT'S THE MANAGER

#### FROM GALLUP

Selected excerpts from the book.

#### INTRODUCTION

The New Will of the World

While the world's workplace has been going through extraordinary historic change, the practice of management has been stuck in time for more than 30 years.

The practice of management has fallen behind how people work, live and want to experience their lives. We need to adapt.

The solution lies in aligning the practice of management with the new will of the world's workers. The great American dream has changed. ... What the whole world wants is a good job. This is the new will of the world.

Everything will change when organizations respond to that will.

While Gallup analytics faults the practice of management, Gallup also concludes that this problem is fixable. We define "fixable" as creating an upward trend in global employee engagement. Currently, just 15% of employees worldwide are engaged at work, meaning they have great jobs in which they are developing with rich mission and purpose. If that number were to rise to 50%, workplaces everywhere would change — and so would the world.

And research shows exactly how to dramatically increase the percentage of engaged employees. Volumes have been written on the subject; the knowledge is already there. The problem is, while the science of management has advanced significantly in the past three decades, the practice of management hasn't.

The longtime purpose of business has been to create shareholder return. We like that — but it isn't enough for the future of work.

Peter Drucker wrote, "There is only one valid definition of business purpose: to create a customer." We like that too. But it isn't enough for the new workplace.

The new purpose of business — and the future of work — has to include maximizing human potential.

### It's the manager

If, of your 5,000 managers, 30% are great, 20% are lousy and 50% are just there — which are about the U.S. national averages of employee engagement — double the 30% to 60%, and cut the 20% to single digits. Do this, and your stock price will boom. Literally nothing a CEO or CHRO does will authentically, structurally and sustainably change the value of your organization more.

So what is the lever? Usually, there isn't a single lever to create change. In this case, there is: It's the manager.

When you have great managers who can maximize the potential of every team member, you have delivered on the new global will: a great job and a great life.

That is the future of work.

### **Chapter 1**

## What exactly should CEOs and CHROs Change?

Most millennials (people born between 1980 and 1996) and Generation Z (those born in 1997 or later) are coming to work with great enthusiasm. But the old management practices — forms, gaps, low individualization and annual reviews — grind the life out of them. Current worldwide practices of management are producing very little development.

What does this mean for your organization's productivity? It means that if you have old management practices, you need to significantly change your workplace — transform your culture.

Changing your culture begins by changing what CEOs and CHROs believe. Then changing what their organization's managers believe. And then changing how those managers develop every single team member.

Gallup has found that millennials in particular have disrupted how the world works — how people communicate and how they read and write and relate. And there's no going back. Millennials and Generation Z are disrupting retail, hospitality, real estate and housing, transportation, entertainment, and travel — and they will soon radically change higher education.

Millennials and Generation Z are changing the very will of the world — and changing what it means to have a great job and a great life.

#### The six changes

Gallup recommends that organizations immediately change their cultures from old will to new will. These are the six biggest changes that we discovered:

- **1.** Millennials and Generation Z don't just work for a paycheck they want a purpose. For people in these generations, their work must have meaning. They want to work for organizations with a mission and purpose. In the past, baby boomers and other generations didn't necessarily need meaning in their jobs. They just wanted a paycheck. Their mission and purpose were their families and communities. For millennials and Generation Z, compensation is important and must be fair, but it's no longer their primary motivation. The emphasis for these generations has switched from paycheck to purpose and so should your culture.
- **2.** Millennials and Generation Z are no longer pursuing job satisfaction they are pursuing development. Most members of these generations don't care about the bells and whistles in many workplaces today the pingpong tables, fancy latte machines and free food that companies offer to try to create job satisfaction. Giving out toys and entitlements is a leadership mistake. And worse, it's condescending.
- **3.** Millennials and Generation Z don't want bosses they want coaches. The role of an old-style boss is command and control. But millennials and Generation Z care about having team leaders who can coach them, who value them as individuals and employees, and who help them understand and build their strengths.
- **4. Millennials and Generation Z don't want annual reviews they want ongoing conversations.** How these generations communicate texting, tweeting, Skype, etc. is immediate and continuous. Millennials and Generation Z are accustomed to constant communication and feedback, and this dramatically affects the workplace. Annual reviews on their own have never worked.
- **5. Millennials and Generation Z don't want a manager who fixates on their weaknesses.**Gallup research shows that weaknesses never develop into strengths, while strengths develop infinitely. Your organization should not ignore weaknesses. Rather, you should understand weaknesses but maximize strengths. A strengths-based culture also helps you attract and keep star team members.

**6. It's not my job** — **it's my life.** As we noted earlier, one of Gallup's discoveries is that what everyone in the world wants is a good job. This is especially true for millennials and Generation Z. More so than ever in the history of corporate culture, employees are asking, "Does this organization value my strengths and my contribution? Does this organization give me the chance to do what I do best every day?" Because for millennials and Generation Z, a job is no longer just a job — it's their life. Changing Demands of the Workforce

Changing Demands of the Workforce

$Past \longrightarrow$	Future
My Paycheck	My Purpose
My Satisfaction	My Development
My Boss	My Coach
My Annual Review	My Ongoing Conversations
My Weaknesses	My Strengths
My Job	My Life

## **Chapter 2 Why Organizational Change Is So Hard**

Only 22% of workers strongly agree that the leadership of their organization has a clear direction for the organization.

Changing cultures from old will to new will and adapting management to the six changes won't happen without C-level leadership. The problem is, only 22% of workers strongly agree that their organization's leadership has a clear direction.

# **Chapter 6 What Is an Organizational Culture?**

Culture begins with your purpose — why you are in business. It lives or dies day to day through your managers.

While most leaders can articulate their organization's purpose, most employees can't. Only 27% of employees strongly believe in their company's values. This disconnect has a negative impact on everything.

Culture determines your brand — how employees and customers view your company.

A world-class culture inspires your most talented employees to create superior customer experiences. When an organization makes a brand promise but fails to deliver, it loses credibility with customers — and especially employees.

Unfortunately, this situation is all too common: Only 26% of U.S. workers feel their organization always delivers on the promises it makes to customers.

An organization's performance improves when its employees understand what differentiates its brand. But Gallup analytics reveals that less than half of U.S. employees (41%) strongly agree that they know what their organization stands for and what makes it different from its competitors.

And 71% of millennials who strongly agree that they know what their organization stands for and what makes it different from its competitors say they plan to stay with their company for at least one year. That number falls to 30% for millennials who strongly disagree.

In short, if your best employees don't know your organization's purpose, they will leave.

Clifton, Jim; Harter, Jim (2019-05-13T23:58:59.000). It's the Manager: Gallup finds the quality of managers and team leaders is the single biggest factor in your organization's long-term success. . Gallup Press. Kindle Edition.