



Exploring the Role of the Manager

An executive discussion led by Professor Andre Spicer, March 2015

ORACLE®
HUMAN CAPITAL
MANAGEMENT

“Employee engagement continues to inspire many conversations within the HR community, and it should do as it influences many of the key factors by which UK plc is measured in today’s global marketplace. This is again brought to life by the findings of a new report into productivity from the London School of Economics (LSE) Centre for Economic Performance, which highlights:

- » UK productivity (GDP per hour) and income grew faster than in France, Germany and the United States between 1979 and 2008, reversing a century of relative decline.
- » UK productivity stagnated after the Great Recession of 2008-09 and remains about 15% below historical trends. This ‘productivity puzzle’ is due to a mixture of cyclical and structural effects – the fall is not entirely permanent.
- » The poor performance in recent years has widened a longstanding productivity gap between the UK and other countries. UK GDP per hour is currently around 17% below the G7 average. This is due to low investment (especially in the technology infrastructure and innovation), poor management and weak intermediate skills.

The interesting phrase in the above is the ‘productivity puzzle’. The LSE’s study has been twenty years in the making and although they’ve assessed many of the different facets of productivity, such as its link with technology, there is still an appreciation that the overall picture remains incomplete. That’s not to say that no clues exist as to what the missing pieces are, and one area in particular that demands greater investigation is the impact of low quality management. As a result, an increasing number of academics and institutions are looking at this factor, the so-called ‘David Brent effect’, to identify the role it plays in ensuring UK productivity continues to lag behind leading nations including the US, Germany, France – as well as places like Italy.

Bringing the Problem to Life

At the same time, poor management has an obvious and immediate effect on employee engagement. This point is best highlighted by the experiences of an engineering company that I became aware of through my research studies. The organisation, a leader in its field, employs a skilled labour pool of highly engaged individuals who for the most part found their jobs fascinating. The typical output

ANDRE SPICER

Professor of Organisational Behaviour, Cass Business School, City University London.

With expertise that spans organisational power and politics, identity, the creation of new organisational forms and leadership, Andre is a frequent commentator for media outlets such as the BBC, CNN, Channel Four, Guardian, and the Wall Street Journal. He has also the author of *The Wellness Syndrome*, *Understanding Organizations* and *Metaphors we Lead By*.



ORACLE®

Hardware and Software, Engineered to Work Together

Copyright © 2015, Oracle and/or its affiliates. All rights reserved. Oracle and Java are registered trademarks of Oracle and/or its affiliates. Other names may be trademarks of their respective owners. 0115



from their work was complex machined components, and tasks were being completed on budget and on schedule – although not always as quickly as senior management would have liked.

“The causes of growing disengagement, as is frequently the case, began with change.”

PROFESSOR ANDÉ SPICER

The causes of growing disengagement, as is frequently the case, began with change. The organisation’s strategy was placed under review; analysts were brought in to evaluate performance, improvements identified, and finally a new CEO was introduced to oversee the recommended transformation. The emphasis now was on increasing the speed of delivery, and to do this a new manager was also brought on board to enforce change. Suddenly the teams found themselves confronted by a greater degree of micromanagement, and a series of directives being enforced, without consultation, to drive the desired output.

The result at first was that productivity began to improve. However, over the medium term it declined across all key measures – as did engagement. The response from the manager, perplexed by this development, was to redouble his efforts. Staff would find their actions being questioned and sense-checked even more, and their overall efficiency being reviewed. Speaking with the manager as to the cause of the dip in productivity, his answer was “I’m trying my best here but people don’t seem to be getting it. Maybe it’s not me that’s the problem, maybe it’s the staff who are resistant to change”. Yet to speak with the employees was to hear a completely different perspective: “This person’s approach to management is actually making me disengaged from a job that I passionately loved.”

The conclusion to be drawn from this anecdote, and one that sits at the heart of both the productivity and engagement challenge, is that there frequently exists a mismatch between what a manager thinks good leadership looks like and what employees are actually looking for. Such a mismatch is of course not unique to engineering firms, as I’ve found studying other employee groups ranging from journalists and librarians to bankers – even anarchist activists. Across all these work environments the same pattern, or puzzle, occurs: a change in direction and managerial approach creates short-term gains at the expense of longer-term results. The question of course is why?

In Search of Answers

As a Professor of Organisational Behaviour, I’ve been looking to find answers to this question, and to broaden the issue to encompass the wider impact of poor management practices. The conclusions I’ve reached, based on extensive findings, suggest three basic ‘failures’:

- » **The basic ‘nuts and bolts’ of line management is not being delivered.** This is obviously an important consideration, both in terms of task-focused (goal setting and performance measurement) and person-focused management.
- » **The personality of management and identity transition.** This relates to the type of person being placed into management roles. For example, it’s all too frequent to find a technical expert (an individual who for many years has been rewarded for a precise set of

skills) elevated to line management by way of 'progression'. In effect, this demands the expert move beyond the core competencies that he or she has built their identity and sense of self around – and to accept new responsibilities without adequate preparation or proficiency.

- » **A lack of transformational leadership.** This is an area currently receiving a lot of attention from the academic community as well as organisations such as Engage for Success. The conclusions being drawn, as supported by existing studies into the topic, is that employee engagement is often intrinsically connected to the standard of transformational leadership available.

The Mismatch Dilemma

Getting these three areas right however is still not guaranteed to inspire greater levels of employee engagement. The reason for this is connected to the previously mentioned mismatch between what managers assume are good leadership practices – the basic mental models used to frame their behaviour; what employees consider good management; and what the organisation in general is trying to build.

In the book *Metaphors We Lead By*, I've condensed these mental models into six primary groups within which most middle managers fit:

- » **The buddy** – where the emphasis is on friendship, and inspiring performance through humour, positive reinforcement and close personal involvement
- » **The saint** – another common model that requires the manager to provide a vision, a transformational objective that offers employees clear direction and something to believe in
- » **The therapist** – the 'coach' style of leadership that looks to ensure individuals within the team grow and achieve their development goals
- » **The commander** – found frequently in manufacturing and engineering companies, this is a role based around an authoritative 'officer' issuing clear instruction and direction to 'subordinate' employees
- » **The bully** – the determined leader who believes the best way to get things done and improve performance is to go round "knocking heads together".
- » **The cyborg** – a frequent figure inside professional services organisations, law firms, and consultancies where authority comes from demonstrating inhuman levels of performance.

These six groups offer an interesting framework for assessing the mindsets and styles of different managers, but what of their followers? When employees were asked, "what does great leadership look like to you?" many expressed very different ideas, but from within these emerged a further six models that importantly mirrored those of their managers:

- » **The friend** – those employees who are essentially looking for a leader to also be a close friend
- » **The believer** – employees searching for something to believe in, a shared ambition to guide future developments
- » **The patient** – individuals who require a 'manager therapist' with which to share their feelings and to be understood at an emotional level
- » **The soldier** – those in the workforce who simply require clear orders of what needs to be achieved and when before acting
- » **The victim** – people who view their relationship with the organisation as adversarial, of 'being beaten up all the time', (and on occasion even looking for this to happen)
- » **The 'all too human'** – employees who have convinced themselves of their inferiority and





weakness in comparison to the apparent perfection of their leader

Of course this suggests that a form of harmony would naturally prevail, and that eventually soldiers would find commanders, patients would find therapists etc. Evidence suggests however that in the majority of instances this is simply not the case. Instead, you have commanders managing victims, bullies managing friends and so on. Such an arrangement only serves to widen the scale of the mismatch, and ensure that most employees are not connecting at a basic, emotive level with their managers.

This situation becomes even more complex when you add a third component into the mix: what the organisation itself is trying to achieve. In part this last point relates to deep-rooted assumptions employees and leaders hold about the type of organisation they work for, particularly as companies are in a constant state of evolution. It's not unusual today to hear a company fundamentally shift its focus and values in response to market pressures (for example: "let's change from being an army to being more like Google!"). Yet such a shift is largely dependent on the existing management team for implementation – managers that are to varying degrees rooted in the preceding cultural model.

This is evident in the work I've been doing in the financial sector, which has faced very public calls for a radical change in culture. Essentially, banks are now trying to change a percentage of their workforce – who for years have been trained and rewarded as 'revenue generating machines' – into people now principally focused on compliance, risk and ethics. Such a shift requires organic behavioural change and it will not happen overnight or inspire widespread acceptance – many will comply symbolically at first, and doubts have to be raised about the ability of any bank to introduce lasting adjustment with their current personnel.

Barriers to Change

What all of these factors, mismatches and misalignments of course do is introduce a perfect storm for disengagement. However, as many HR teams know, it can be very difficult to reverse this growing disconnect for a range of reasons. From a purely psychological perspective there are four common boundaries:

- » **Identity** – individuals will invest for years in a particular professional image of themselves – what they're good at, what earns them kudos, respect and admiration etc. This makes change, and taking up a new role difficult. I've seen people consistently try to make the transition, but ultimately this is a path that takes them away from an established sense of purpose and self worth that has been crafted over their entire working career.
- » **Self-serving biases** – it is instinctively human to direct the blame for failure to external factors, and to accept the blame for success. This bias of overlooking extenuating factors means that when a management mismatch occurs, the tendency for managers is to blame the employees for being lazy or ineffectual – rather than reviewing their own performance and approach.
- » **Belief bias** – every manager maintains strongly held beliefs, and changing these is a very difficult proposition. Instead, people will often accept arguments that don't work, aren't right, or make no sense because they conform to their convictions. So if a manager believes that "knocking heads together" is the sign of good management, then whatever signals or data points that emerge in contradiction to this view are going to be ignored or at

"It's not unusual today to hear a company fundamentally shift its focus and values in response to market pressures (for example: "let's change from being an army to being more like Google!")."

PROFESSOR ANDÉ SPICER



best minimised.

- » **Information recurrence** – another common behavioural dynamic is the tendency for people to surround themselves with liked-minded individuals – who in turn continue to feed them the same type of information. So, and as an example, when managers find themselves in a team of people who are all promoting the ‘tough manager’ stance, the collective is effectively supporting this image. As a result, the majority will offer unquestioning support for this ‘leadership brand’ even if it leads to fundamental problems with the workforce.

“The challenge therefore is to prompt the right behaviours, and to construct workplaces and systems that contribute to positive habits, attitudes and practices – and in turn lead to improved levels of engagement.”

PROFESSOR ANDÉ SPICER

In Summary

So, what conclusions can be reached from this current understanding of leadership capabilities as they relate to employee engagement? What obstacles need to be overcome, what opportunities exist, and what recommendations are there for HR?

There is no ‘one-size-fits-all’ solution to the problem

This opinion goes against a lot of the existing literature on the topic and practitioner debates, and the view that there is one type of ‘universal’ leadership style that will lead to highly engaged employees. In my experience, and with the evidence collected, I would suggest that this is not the case. Instead, we should be looking to hire and inspire leaders who are capable of engaging employees through a range of different leadership styles that align to the needs of the individual. This creates an environment where the manager can move across different states, alternating between therapist, buddy, cyborg etc., in a performance framework tailored for the individual.

Perceptive ability

This point relates to the importance of managers breaking outside their psychological and cognitive biases to actually see what their followers want from them – and to actively recognise what they assume good leadership to be. Training and equipping management teams to do that, and to better connect with employee expectations is a difficult, but increasingly vital skill to learn.

Designing for behaviour

One of the big lessons to emerge from recent work on cognitive science is that changing people’s minds and beliefs is difficult because individuals tend to search for information that supports their finely tuned reality tunnels. Evidence suggests a better place to start is to aim for a change in behaviour. As the French philosopher Blaise Pascal once commented when asked how do people begin to believe: “Keep going to the cathedral, kneeling down in front of the altar, folding your hands, and saying prayer”. The important point being that behaviour can lead to belief once you have repeated the act often enough. The challenge therefore is to prompt the right behaviours, and to construct workplaces and systems that contribute to positive habits, attitudes and practices – and in turn lead to improved levels of engagement.

The danger of too much alignment

Organisations also run the risk of introducing too much alignment, and arguably too much engagement. One form this can take is where employees embrace the



prevailing organisational culture, say to be a soldier working under a commander, and then become isolated in this bubble even if the world around them moves on. The challenge for HR is to find suitable methods for unlocking these people from such closed mental models, and here a little ‘constructive disalignment’ can prove highly useful.

Finally, another form that excessive alignment can take is where managers become fixated on the need to improve engagement, and become increasingly reliant on generic management processes as they bid to further a coaching agenda. The danger of this attachment to more humanistic approaches is that management runs the risk of becoming largely irrelevant to the day-to-day tasks of actually operating the business. As with all managerial disciplines, balance is required between the different approaches – alongside a broad palette of engagement skills that help deliver healthy levels of alignment between the individual, the manager and the organisation.”

Professor Spicer was talking at the Oracle HR executive thought leadership event Inspire Success.