America’s Workforce:
A Revealing Study of Corporate America’s Most Neglected Employee
Summary

Managers should be an organization’s most valuable strategic asset. They are a critical business lever because of the influence they have on their teams, who are tasked with bringing strategy to life on a daily basis.

Yet, a new study* by Root uncovers that managers are corporate America’s most neglected employees. They are undervalued, largely unsupported, and often ill-prepared with the leadership skills necessary to succeed in this critical role. Their potential to make a difference remains largely untapped.

The key to unleashing their potential is to understand their real worth to the business, make their development a priority, and equip them with long-term, sustained support to be fully effective.

* A study of Americans working in communications, marketing, HR, organizational development, training, operations, strategy, or customer experience. All respondents are involved in manager training programs, such as designing or executing programs, or making decisions on vendors or budgets.
A Surprising Number of Non-Believers

Countless studies over the last few years have shown that managers are strategic assets. They can make or break an organization’s ability to bring its strategy to life because of the influence they have on their teams. Yet, an alarming number of companies don’t see it this way.

The business undervalues managers...
— Almost a third (32%) believe that their company doesn’t see managers as critical to business performance, and the same amount report that their organization doesn’t connect employee performance with company performance at all.

— What’s more, 38% feel that their company doesn’t value the impact of skilled people managers.

... and so do the people whose job it is to support them
— Four in ten (40%) report that their manager training programs today have no impact on the company’s bottom line and do not feel well-developed managers can positively impact business performance in the long term.

Bleak outlook
— Only four in ten (37%) report that in the next five years, one of the most important things for their department to do is develop important leadership or manager capabilities.

Over two in three (68%) say that in the next 12 months, it’s not important to help employees understand how they can contribute to company goals or strategy.
Managers: Corporate America’s most neglected employees

The data reveals that both the overall business and those responsible for talent development undervalue managers and have no plans to right this in the near future. But why? The heart of the issue is likely training and development. If managers don’t have the right foundation to be strong leaders and inspire their people to execute on strategy, then it’s easy to see why the business doesn’t believe in them. Yet, if the business doesn’t believe in the impact managers can make, it’s just as easy to see why talent development leaders aren’t making managers their priority, either.
Managers Missing Out

Managers are often ill-prepared for success in a leadership role. Many of them aren’t trained at all in how to engage, coach, or develop their teams. And if they are trained, it’s through programs that aren’t aligned with company strategy, lack the support of senior leadership, and are delivered as “once and done.”

**Misplaced priorities**

Getting companies to truly prioritize manager development is not an easy process. Around half report that reducing overhead (57%) and making technology upgrades (48%) have been prioritized internally in the past year; only 28% can say the same about investing in managers.

In the last year, my company has prioritized...

- Reducing expenses: 57%
- Improving customer experience: 52%
- Technology upgrades: 48%
- Increasing profitability: 46%
- Investing in managers: 28%
- Raising brand awareness: 28%
- Innovation: 21%
- Expansion: 20%

*Respondents were asked to choose their top three choices.*
Lack of senior leader support
Clearly, manager training doesn’t always get the attention it deserves. And at many companies it starts with a simple lack of senior leader support:

- **55%** agree that getting their company’s leaders to advocate for manager training support is not an easy process.

- **57%** believe that their manager training programs aren’t supported by senior leadership.

- **69%** say their leadership doesn’t see an extremely strong link between effective manager training and business performance.
Fraught with funding issues
Lack of senior leader support may explain why survey respondents consistently struggle to carve out a proper budget for manager training:

— 38% of those involved in manager development claim that this is an area where their employers are not willing to invest.

— 65% struggle to get the money they need for manager training programs. Fewer (53%) struggle to secure funding for facility or technology upgrades.

— Close to half (47%) believe that their company’s finance department sees manager training as a “box to check” and not an important investment to evolve a company.

Almost a third (31%) admit that their manager development programs are impacted by budget constraints.

Foresight failure
In addition to the uphill battle to win over leadership and get enough money to execute, companies are also struggling with manager training programs that simply plug holes instead of taking a long view by developing and supporting managers as strategic assets:

— Almost half (43%) say their manager training programs support short-term goals, not long-term objectives that may be more strategic.

— It follows, then, that 51% of respondents feel their companies aren’t willing to prioritize long-term objectives over short-term goals.

— This means that much of their hard-earned training budget may be going to waste. 89% report that at least some of their budget from the last three years was spent on manager training that didn’t give them the long-term results they wanted – close to a quarter (24%) of their budget falls into this category, on average.

89% have wasted money on manager training without achieving desired long-term results in the past three years.
Lackluster programs
Respondents are unhappy with the current state of manager development in their organization. Their list of grievances is long and varied:

— Many feel that the manager development they have in place today is static instead of dynamic (44%), not comprehensive (44%), and simply outdated (40%).

— Making matters worse is that most (59%) don’t tailor manager training to the areas of the business that need the most attention.

— Additionally, few companies tailor manager training based on individual needs (24%) or best practices (24%).

On a more tactical level, less than half are focusing on building true leadership skills such as: team management (46%), coaching (35%), or delegation capabilities (25%).

More than three in five people (62%) involved in manager development admit they aren’t satisfied with the state of their initiatives.

57% report that it’s difficult to measure the success of their current manager training programs. This may explain why it is difficult to attract support and funding.
Manager development is missing the mark

With senior leader support, and therefore the necessary funding, hard to come by, an alarming 62% of talent development leaders aren’t happy with their manager training programs. The result is that many of them are simply putting priority elsewhere, settling for sub-par manager development that at best, fills short-term needs.
Missteps on the Road to Success

Sustainment of manager training is viewed as vital, but is far from commonplace in most companies.

**Sustainment’s significance**
Most of those involved in manager training agree that sustainment could be the key to their success.

— 91% believe sustainment should be mandatory in companies like theirs.

— 87% agree manager training is a waste of resources without sustainment. This sentiment is stronger among those who are at the director level and above than more junior respondents (93% vs. 81%).

**Paying lip service**
Yet, their actions tell a very different story. Most know they have a long way to go to truly sustain existing initiatives:

— 82% don’t strongly believe their company has been successful at manager development sustainment so far.

— And an overwhelming 67% don’t have strong faith that sustainment of manager training is even possible in their organization. Perhaps they just don’t know how to make sustainment work?

— More than four in five (83%) report that less than a quarter of their training budget, if any, is currently allocated to manager training sustainment.

87% agree manager training is a waste of resources without sustainment.

67% don’t have strong faith that sustainment of manager training is even possible in their organization.
Not on the radar for some
Some companies don’t even seem to be taking a disciplined approach to sustainment.

Even among those that do make an effort to sustain, very few organizations employ tactics that could truly make a difference, such as:

- Building follow-ups into the program: 30%
- Group coaching: 28%
- One-on-one coaching: 27%

13% can’t name a single thing their company does to sustain manager development programs.

Now onto the next thing
Four in ten (40%) agree that a top obstacle in sustaining manager development is the prioritization of short-term needs over long-term planning. Yet less than a quarter (24%) of those who do anything to sustain are planning ahead for these crucial long-term budgets.

When the going gets tough, and they are faced with obstacles to sustaining manager training, 29% give up, put things off, or scale their programs back.
Plan ahead for success

While most organizations believe in the power of sustainment, few practice what they preach. To develop managers as strategic assets, sustainment must be a key consideration in the planning process and not relegated to an afterthought.
How Respondents Define Sustainment

“Building a program that will last, has lasting impact, and can reproduce itself within others”

“How Respondents Define Sustainment

“Training that stands the test of time or can be easily updated as the needs of the business change”

“Continuation of the concepts learned”

“Creating continuing engagement and development”

“Ability to perpetuate learnings”

“Keeping the leadership we develop and sustaining it even through changes”
How Respondents Define Sustainment

“The capacity to continuously develop a manager’s skill set so that individual is able to meet the demands of the business with confidence”

“Long-term retention of training”

“The capability to utilize training to grow and increase the bottom line”

“Training that sticks”

“Continuous improvement”

“Keeping the training active and consistent”

“Training concepts live on for months after the training and are incorporated in the daily business environment as well as taught to new employees”
About the survey
The Root Manager Training Survey was conducted by Root and Kelton between November 25 and December 11, 2014 using an email invitation and an online survey. The survey was conducted among 205 employed Americans working in communications, marketing, HR, organizational development, training, operations, strategy, or customer experience. All respondents are involved in manager training programs, such as designing or executing programs, or making decisions on vendors or budgets.

Results of any sample are subject to sampling variation. The magnitude of the variation is measurable and is affected by the number of interviews and the level of the percentages expressing the results.

In this particular study, the chances are 95 in 100 that a survey result does not vary, plus or minus, by more than 6.8 percentage points from the result that would be obtained if interviews had been conducted with all personas in the universe represented by the sample. The margin of error for any subgroups will be higher.

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Margin of Error = +/- 6.8 percent    Sample = 205 respondents involved in manager training programs