

CORPORATE AMERICA, WE HAVE A PROBLEM

Why Managers Aren't Viewed as Strategic Assets and What to Do About It

Hiding in plain sight is one of your organization's most valuable strategic assets. When uncovered, they can be the difference between your success and your failure. They are large in number, but fall short on impact. Their potential to influence is tremendous, but they suffer insignificance. They are your managers – and it's their time to shine.

Managers have the potential to be one of an organization's most valuable strategic assets. While CEOs and the rest of the senior leadership team invest a lot of time and effort into creating winning strategies, it's the managers who have the real ability to influence what happens day-to-day. They have the power to ignite change. They have the power to create meaning and connection through the work. They have the power to be the difference-makers.

But first, they must be empowered to do it.



Despite the very important role that managers play in the business world, they remain undervalued and poorly trained. *America's Workforce: A Revealing Study of Corporate America's Most Neglected Employee* dives into this very topic, and the reality is not pretty.

The study reveals that a surprising number of organizations don't believe their managers matter when it comes to strategy and results. Senior leaders don't believe in them or lend their support, talent development leaders aren't investing in them, and what training they do receive is limited to job function, not leadership skills.

It's clear that the managers are not being tapped as strategic assets. The question is: why? And what can be done about it? America's Workforce reports that as many as one-third of the 200 training executives polled believe their companies don't consider managers to be important to the organization's performance. And, only 28% report that manager investments have been prioritized in the last year. It's clear that the managers are not being tapped as strategic assets. The question is: why? And what can be done about it?

Managers aren't trained to impact the bottom line

America's Workforce: A Revealing Study of Corporate America's Most Neglected Employee proves that many organizations are failing to realize the impact managers have – or can have – on the bottom line.

- Almost a third (32%) surveyed believe their company doesn't see managers as critical to business performance, and the same number report that their organization doesn't connect employee performance with company performance at all.
- More surprisingly, a full 69% of respondents say their leadership doesn't see an extremely strong link between effective manager training and business performance.

This data seems shocking at first blush. How is it that so many companies do not value their managers as critical to results? A deeper look reveals a vicious cycle at play:

Managers aren't being tapped as strategic assets to accelerate business results because they don't have the skills to do this. They lack the skills they need to do this because they aren't viewed as critical to accelerating results.

This paradigm explains why talent development leaders have so much more difficulty securing funding for manager training programs than other initiatives. In fact, the study reports:

- 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.

The study also sheds light on why talent development leaders haven't prioritized manager development and aren't satisfied with their current programs. The study found:



- Many feel that the manager development they have in place 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%).

Breaking the cycle

The biggest opportunity to address this manager malaise is a simple but critical mindset shift. We must stop looking at managers as process lords and start looking at them as the strategic agents they really are. With an elevated view of the role managers should play, the next question to answer is how to develop them to excel beyond the basics.

The pitfalls – and how to avoid them

Regardless of industry, location, or size of the company, the same pitfalls trip up organizations across corporate America when it comes to developing managers as strategic assets. Even those organizations that do invest in manager development programs fall short in several common ways:

Pitfall #1: Process Trumps People

A leader or manager development program that focuses exclusively on job-specific skills and processes, such as how to complete a performance review or how to conduct an interview, misses the mark. While these are definitely skills that competent managers need to understand, they don't address the other intangible aspect of a manager's job – the people skills. These are the skills that determine how a person shows up for work, how engaged they are, how much discretionary effort they will contribute. These are the skills that should be applied every day to unlock our employees' best potential, and yet they are often forgotten or undervalued in manager development curricula.

America's Workforce reveals:

 Less than half of manager training focuses on building true leadership skills such as team management (46%), coaching (35%), or delegation capabilities (25%).

Escape route

Keep in mind that managers have likely been promoted because they were the best individual contributors. Just because they have technical expertise does not mean they will excel as people leaders. Not everyone is a natural "people person" with an innate ability to connect with, inspire, and motivate others. Make sure that your manager development strategy solves for this need. The trick is to take a balanced approach. Systems, processes, and functional training are important, but should be complemented with the right mix of leadership skills training to create strategic managers.

Pitfall #2: "Off " Course Curriculum

Conflict resolution. Communication. Coaching. Building trust. Team building. Delegation. The list goes on and on. Often, organizations believe the bigger the course list for managers, the better! The problem is that while these are essential skill areas for managers to master, the corporate university approach can feel like a scavenger hunt for managers. The skills they need are offered, yet they are commonly delivered in a very disconnected, off-course way. Managers are left trying to connect the dots, put it into action, and apply it in the real world. Even the most studious managers only put into practice a paltry amount of the skills they amass from this approach.

Escape route

Building trust, setting expectations, providing feedback, coaching, and the like are layered in real-life interactions. Managers need to know how to move seamlessly between these skills to be effective people leaders. Therefore, manager development training should prepare leaders for this reality by threading these skills together in a single, foundational program rather than offering them as discrete, stand-alone training courses. With the right tools and knowledge, managers can learn how to connect and leverage these capabilities with fluidity and ease.

Pitfall #3: Failure to Engage

Perhaps the biggest opportunity left on the table when developing managers is failing to teach them how to engage and inspire their teams in the business. You can have great relationships, coach like a champion, set crystal clear goals – but leaders who fail to engage their teams in the business first will miss the mark every time if breakthrough results is their target.

Escape route

Managers interact with your employees every day and have a unique opportunity to inspire and focus them to execute on the business strategy. It follows that managers must clearly understand the fundamentals of the business strategy and how they and their teams contribute to drive results. They need to see themselves as CEOs – Chief Engagement Officers – of their teams. Help managers see themselves as CEOs by consciously training them to engage others. They must be adept at helping their team connect the dots: from the work they do every day to what the business is trying to achieve overall. They need to be equipped with the know-how to make sure every individual on their team feels a sense of belonging, understands how their work makes a difference, and feels they are a part of something bigger than themselves. This philosophy should be the cornerstone of your manager development strategy if you want your managers to excel as strategic assets for your business.

Pitfall #4: Failure to Follow Through

Planning a proper manager development program can be exhaustive and costly. Those leading the charge might believe that creating a quick one-and-done initiative is enough for new behaviors to take root. But the truth remains that sustainment is a mandatory element for a successful manager development program.

Sadly, sustainment typically either isn't a strong priority or proves to be a major challenge for most organizations. The *America's Workforce* study tells us that 40% of respondents agree that a top obstacle in sustaining manager development programs is prioritization of short-term needs over long-term planning. A mere 18% of people responsible for manager training strongly feel that they've been successful at sustainment, and 67% don't have strong faith that sustainment of manager training is even possible in their organization.

But sustainment plans must be integrated into all training to hold managers accountable – to ensure managers apply the new knowledge for the long term. Without sustainment, organizations are not maximizing the money and time spent on training programs, and managers aren't making true commitments to incorporating new insights and skills into their everyday work.

Escape route

Make sustainment an integrated part of any training program – otherwise the knowledge gained is going to be easily and quickly forgotten. Hold your people accountable and make it easy for them. For example, if your organization has six-month review cycles and your manager development program has introduced a coaching model, make sure the guide managers are given for all six-month reviews is rewritten to follow the new coaching model. It's a simple but powerful change. Rather than telling people, "Practice using the new coaching model" back on the job, managers are set up for success because the protocols and routines are consistent with the new model and they can't avoid using it.

America's Workforce: A Revealing Study of Corporate America's Most Neglected Employee shows us that managers are in trouble. They're not valued because they don't possess the right skills. And they don't possess the right skills because they're not being trained. And the training doesn't exist because they're not valued – you get the drift. But, this doesn't have to be the reality. By avoiding the pitfalls and creating a manager development strategy that empowers managers with the experience, knowledge, and tools they need (along with sound sustainment plans to keep knowledge alive outside the classroom, of course), we can welcome a new wave of manager development programs – and a new generation of great managers. Then and only then will all managers have the chance to shine, to finally be recognized as strategic assets, to be appreciated by senior leaders for their contributions – and to help lead their teams and organizations to new levels of success.

Download the complete America's Workforce study today here.

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