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MAY 28, 2024

The Strengths, Weaknesses and Blind Spots of Managers

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Worldwide, the cost of poor management and lost productivity from not engaged or actively disengaged employees is \$8.8 trillion, or 9% of global GDP.

Changing how people are managed is perhaps the easiest way to boost productivity within organizations.

Yet, the majority of managers receive little feedback on how effectively they manage their team. Less than half of U.S. employees (42%) report having the opportunity to formally provide feedback to their manager, and fewer than one in four (24%) have formally rated their manager's performance. Managers are not getting much help from their peers either, with only about a third (36%) of managers saying they receive feedback from their peers as part of a formal feedback process.

Many managers admit they have room to grow. Four in 10 acknowledge they have not yet achieved an *advanced or expert* level of proficiency when it comes to engaging their team or managing performance. While six in 10 managers say they are not *advanced* or *expert* at developing employees and helping them create career paths.

To help managers foster highly productive teams, Gallup conducted a study comparing how managers think they are currently leading their team versus how employees say they are being managed.

The study used a nationally representative U.S. sample of 2,729 managers and 12,710 individual contributors. Each group assessed how they are managing their team or how they are being managed based on a list of 20 managerial responsibilities. Ratings of each managerial behavior were separated into four categories:

- Strengths -- rated highest by both managers and employees.
- Known Weaknesses -- rated lowest by both managers and employees.
- Blind Spots -- managers rated high, but employees rated low.
- Unrecognized Strengths -- employees rated high, but managers rated low.

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Strengths	
Where are managers most effective?	

The behaviors that both managers and employees rated highest are baseline expectations of management. These behaviors are more transactional and straightforward to deliver. While being responsive, approachable, informed and providing resources are important, these behaviors have the lowest correlations to employee engagement observed in the study, indicating they are less likely to elevate performance than other key behaviors.

The exception is *high-quality feedback*, a more refined managerial skill highly correlated with employee engagement.

Despite relatively high scores on these six behaviors, significant room for improvement remains. There is a wide difference between manager and individual contributor ratings on some fundamentals, including a 21-percentage-point gap in responsiveness to calls and messages and a 19-point gap in high-quality feedback.

Managers should not take these relative strengths for granted and must continue to sharpen them because they are the foundation of effective communication, support and strong working relationships.

Known Weaknesses

Where do managers struggle the most (and know it)?

The *known weaknesses*, behaviors both individual contributors and managers see as areas for improvement, focus on effective coaching. *Meaningful feedback, motivation, removing barriers to performance* and *discussing strengths* involve conversations that go beyond basic communication of facts and minimum responsibilities. And they all involve a forward-looking approach: "How do we get better?"

These known weaknesses are very highly correlated with employee engagement, demonstrating that managers are not only falling short, but these behaviors are among the most critical to increasing productivity, retention and customer engagement.

The lowest rated behavior was "meaningful feedback in the last week." This behavior combines both quality ("meaningful") and frequency ("in the last week") of feedback. We call these ongoing, high-quality conversations the "coaching habit," and it is among the best predictors of employee engagement Gallup has ever studied.

Blind Spots

Where are managers overconfident?

The biggest gaps between manager and employee perceptions are in the delivery of recognition and frequent feedback.

Nearly 60% of managers feel they are doing a good job recognizing their team's hard work and contributions, but only about a third of individual contributors (35%) share the same sentiment. *Recognition* isn't happening as often as managers think, or it's not being delivered in a memorable way for employees. A <u>Gallup-Workhuman study</u> suggests the answer is likely somewhere in between, considering only 12% of employees report being asked how they like to be recognized. Managers need a better understanding of what meaningful recognition looks like for each team member to bridge this gap.

The largest difference between manager and employee perceptions is in *how often they think feedback is provided*. Only one in five (20%) employees say they receive feedback weekly, compared with about half of managers (50%) reporting they deliver it weekly. This measure of feedback describes frequency, which is theoretically more "objective" than quality, yet managers' efforts are not registering with their teams.

Another blind spot is that managers are more likely than the people they manage to say their managerial style fosters a *collaborative team environment*. Managers may see collaboration happening or facilitate it themselves, but that may not translate into true peer-to-peer collaboration that employees can see or feel.

Unrecognized Strengths

The one behavior employees rated more favorably than managers was *creating accountability for high performance*. Managers tend to put a premium on accountability because it's their job to hold a high standard for their team and help the team achieve it. Managers may judge themselves harder on this behavior because they have high expectations, or they may legitimately see their team has room for performance improvement.

In contrast, employees -- who may be more sensitive to performance standards -- indicate that managers' performance standards are working better than they think. Yet they agree with managers there is room for improvement.

Top Drivers of Employee Engagement

Which behaviors	are most important to	engaging employees	s and ennancing _l	productivity?

Findings from this study reveal that managers excel at the basics, but out of the top five most important manager behaviors that drive employee engagement, four are *known weaknesses* and one is a *blind spot*.

The strongest driver of employee engagement *and* the lowest rated behavior is *weekly meaningful feedback*, making it the most important opportunity for improvement among managers.

Establishing a weekly coaching habit provides a natural way to strengthen the other four critical behaviors. Routine coaching conversations should include discussing goals, development, and strengths and recognizing good work. Previous Gallup research shows these behaviors contribute to making coaching conversations "extremely meaningful."

How to Reveal Manager Blind Spots

First, organizations need to close the perception gap between managers and their teams. Managers benefit from a holistic perspective of their own performance that includes precise feedback, whether through coaching effectiveness survey feedback, 360 feedback or open two-way dialogue with their team. Encourage managers to listen to this feedback to help them understand what they hear.

Second, organizations need to address managers' most common weaknesses and blind spots this study uncovered. Organizations should intentionally develop managers into coaches, moving beyond the basics and teaching them how to effectively coach performance and development through a strengths-based lens.

This study serves as a call to action: Managers need the development, feedback and support required to manage people effectively and foster highly productive teams. The engagement, performance and retention of their workforce depends on it.

Develop managers who lead exceptional teams:

- Enroll managers in the <u>Gallup Manager Program</u>, where they'll learn to focus on natural strengths, engage employees and develop performance.
- Learn about <u>Gallup's leadership development framework</u> and the importance of a thriving leadership team.
- Track global trust in leadership, manager engagement and employee perceptions of performance management by following <u>Gallup's leadership and management</u> <u>indicator</u>.