

2019

People Management Report

Study reveals the subtle ways managers sabotage their teams.



Introduction

In August 2019, The Predictive Index® conducted a survey to ask 1,038 employees from 13 industries about their managers. Their answers reveal the subtle ways managers sabotage their teams—and what sets world-class managers apart from the rest.

Findings are broken down into nine sections:

1.	There are subtle ways managers sabotage their teams
2.	People who feel psychologically safe are less likely to quit
3.	The No. 1 skill managers lack is team building
4.	Less is not more when it comes to meeting frequency
5.	Managers who leverage behavioral assessments are rated better by their employees 12
6.	The number of direct reports does not impact manager rating
7.	There are more good managers than bad managers
8.	Difference in age between managers and direct reports doesn't impact manager ratings 18
9.	Industry doesn't impact manager ratings

Organizations that leverage talent optimization succeed in reaching their business goals largely because their employees work together efficiently. People managers play a key role in this by motivating teams and providing a positive employee experience. Read on to learn what managers are doing well, and what they could be doing better.

There are subtle ways managers sabotage their teams.

The media portrays bad bosses as bullies: self-centered, quick to anger, and happy to berate employees—usually in front of others. Employees tend to point to similar traits. The 2018 People Management Study found that "badmouthing people behind their back" and "plays favorites" were two of the top five most common traits of terrible managers.

But in reality, there are plenty of bad bosses who are harder to spot. This study sought to uncover the ways in which managers subtly sabotage their teams.

To this end, the panel of 1,038 workers were asked to rate 14 statements related to psychological safety on a scale of 1 (strongly disagree) to 5 (strongly agree). (For complete survey methodology, click here.)



Psychological safety is a belief that one will not be punished or humiliated for specking and the second se for speaking up with ideas, questions, concerns, or mistakes.

AMY EDMONDSON

Harvard Business School Professor

The data shows that good managers create more psychologically safe work environments. It also shows the subtle ways managers sabotage their teams and destroy psychological safety (e.g., not valuing employees' unique skills, not being approachable, and not respecting personal values). While these aren't outright displays of mistreatment, they still negatively impact the employee experience.

For example, 96% of employees with good managers feel they can approach their boss with problems; just 43% of workers with bad managers feel the same.



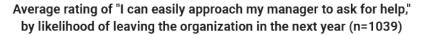
People who feel psychologically safe are less likely to quit.

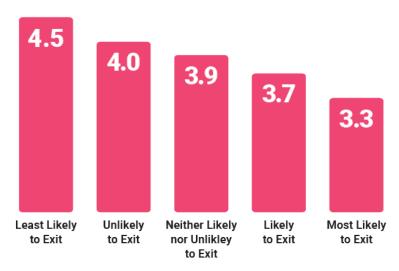
Next, this study sought to examine the relationship between psychological safety and turnover intent. Researchers found a correlation between the way people rated the 14 psychological safety statements and turnover intent. Employees who feel psychologically safe are less likely to look for work elsewhere.

With the war for talent raging, establishing a psychologically safe work environment should be a top priority for business leaders who seek to retain high performers.

To uncover this, respondents were asked to rate the following statement on a scale of 1 (strongly disagree) to 5 (strongly agree): "I am likely to look for work at another organization within the next 12 months." Researchers then compared the answer to this question with responses to the 14 statements related to psychological safety. Across the board, researchers found a relationship between turnover intent and psychological safety.

For example, respondents least likely to exit their organization strongly agreed with the statement "I can easily approach my manager to ask for help," while respondents most likely to exit their organization disagreed with the same statement.



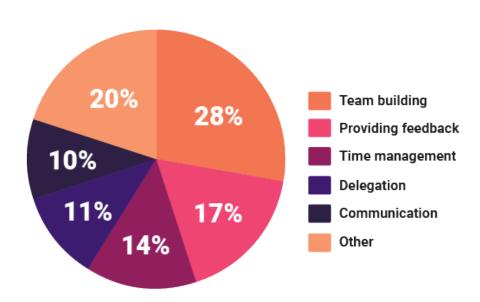


^{*}For additional research about this finding, see the <u>Survey Methodology</u>.

The No. 1 skill managers lack is team building.

The data shows that nearly 30% of employees believe their manager lacks team-building skills. Even some managers rated "good" or "world-class" by their employees lack this critical skill.

When asked which skills managers lacked most, employees also say providing feedback, time management, delegation, and communication are top manager shortcomings.



Top 5 skills managers are lacking



Interestingly enough, when managers were asked what was "top of mind" as part of the 2018 People Management Study, team building didn't make the cut.

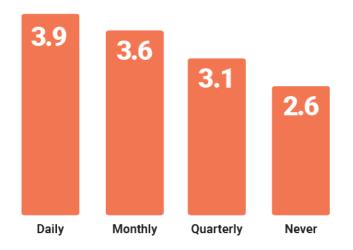
Not placing value on strategic team building is a huge mistake that affects the bottom line. When teams are cobbled together, team members are more likely to struggle to communicate and collaborate. Organizations that leverage talent optimization use people data to predict team dynamics and evaluate candidates accordingly.

Less is not more when it comes to meeting frequency.

Do 1:1 meetings impact how employees rate their managers? The study found frequency of 1:1 meetings does impact manager ratings.

Respondents were asked how often they meet 1:1 with their managers. Researchers then mapped meeting frequency to manager ratings. As shown in the chart below, there's a relationship between the two.

Average manager rating based on frequency of 1:1 meetings



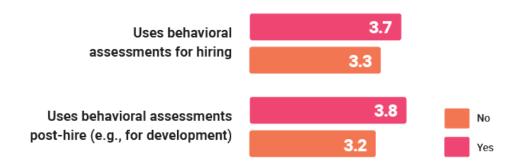
Manager ratings jump from 3.1 to 3.6 when managers meet with their direct reports monthly vs. quarterly.

While meeting with direct reports 1:1 once a month should be considered the minimum frequency for good management, rankings are higher for those managers who meet with their employees on a daily or weekly basis. Developing leaders at every level of the organization is central to talent optimization, and giving regular performance feedback is one method for helping employees grow.

Managers who leverage people data see higher ratings.

Respondents were asked whether behavioral or personality assessments were used as part of the hiring process—and if their organization uses assessments post-hire for personal and professional development.

Average manager rating based on use of behavioral/personality assessments



As the data shows, when behavioral assessments are used to collect people data—in the hiring process or post-hire—manager ratings are higher. To truly optimize talent, managers must understand how individuals are wired to think and work. Behavioral assessments can help create this understanding. This may be because assessments help managers understand how individuals are wired to think and work. When hiring, behavioral data is useful for determining job fit and team fit. Post-hire, assessments contribute to greater self-awareness and can be leveraged to improve working relationships—and to tailor coaching according to individual preferences.

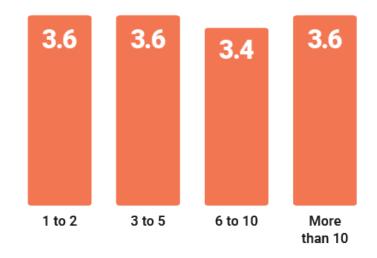
If you're looking to increase your own self-awareness, take PI's Behavioral Assessment™. It's free and you can complete it in less than six minutes.



The number of direct reports doesn't impact manager rating.

You might assume the more direct reports a manager has, the less effective they are at managing—but the research shows otherwise. Researchers found no relationship between the number of direct reports a manager has and their rating as a manager.

Average manager rating by number of direct reports



There are more good managers than bad managers.

The good news is: There are more good managers than bad managers. As previously mentioned, respondents were asked to rate their managers on a scale of 1-5, with 1 being terrible and 5 being world-class. About 60% of employees believe their manager is "good" or "world-class."

The distribution of these ratings is shown below.





Difference in age between managers and direct reports doesn't impact manager ratings.

The <u>2018 People Management Study</u> found negligible differences between the average ratings for managers of different generations.

If the age of a manager doesn't matter, does the age *difference* between a manager and a direct report matter?

Average manager rating by relative age

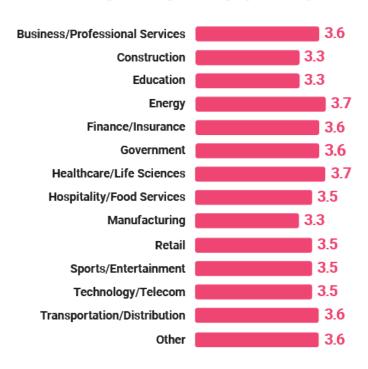


While some believe young managers may not be taken seriously by older employees, the research reveals a different story. The data shows that age difference has no significant impact on how an employee rates their manager. What makes a manager terrible or great is based more on how they treat employees.

Industry doesn't impact manager ratings.

Despite the claims that certain industries—such as recruitment and marketing—have better managers, the data shows there are no statistically significant differences between average manager ratings across industries. This finding remains consistent from the 2018 People Management Study to this year's report.

Average manager rating by industry



Talent optimization empowers managers.

Organizations that leverage talent optimization succeed in reaching their business goals largely because their employees work together efficiently. People managers play a key role in this by motivating teams and providing a positive employee experience. Read on to learn what managers are doing well, and what they could be doing better.

LEARN MORE

Survey methodology:

The Predictive Index created the survey instrument and opened the survey to respondents in July of 2019.

The survey consisted of four major sections. In the first section, we asked respondents questions about their manager, how they feel about their manager, and whether or not their organization uses behavioral assessments in the hiring process or post-hire. The pivotal question of this section asked respondents to rate their manager on a scale of 1 to 5. The findings of this report were determined based on relationship to this question. In the second section, we asked respondents to tell us about meeting frequency, their age compared to their manager's age, how many direct reports their manager has, and what skills their manager lacks most. In the third section, we asked respondents to tell us about their organization, as well as their role, to better understand the impact managers have in different industries, departments, and organizations of varying sizes. The final section of the survey included statements relating to psychological safety.

FINDING 1

Respondents who gave a positive response (i.e., agree or strongly agree) to the following statements were deemed to have a high level of psychological safety:

- I can approach my manager with problems or tough issues.
- I can make a mistake at work without my manager holding it against me.
- I can easily approach my manager to ask for help.
- My manager would never act in a way to undermine my efforts.
- My manager values my unique skills.
- My manager respects me.
- My manager respects my personal values, even if they don't agree.

- My manager encourages me to speak my mind.
- I believe my manager speaks well about me to others.
- I am proud to tell people about the company I work for.

Additionally, a negative response (i.e., disagree or strongly disagree) to the following statements indicated a high level of psychological safety:

- I frequently get angry at work.
- My manager has said/done things to make me want to cry.
- I often get frustrated by my manager.
- I frequently complain to others about my boss.

Respondents were also asked to rate their manager on a scale of 1 to 5, with 1 being terrible and 5 being world-class. For the purposes of this report, managers were classified as follows:

- Those who received ratings of 4 and 5 were called "good managers."
- Those who received ratings of 3 were called "average managers."
- Those who received ratings of 1 and 2 were called "bad managers."

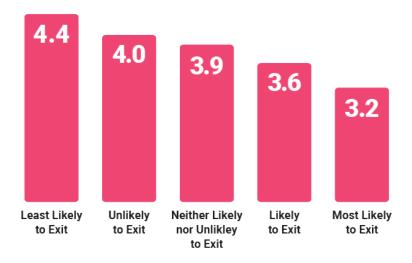
FINDING 2

Psychological safety was determined using the same methodology as the first finding. To determine turnover intent, respondents were asked to rate the following statement on a scale of 1 (strongly disagree) to 5 (strongly agree): "I am likely to look for work at another organization within the next 12 months."

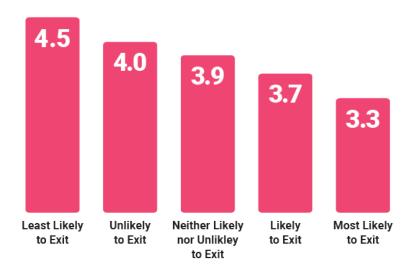
Across the board, researchers found a relationship between turnover intent and psychological safety.

For example, respondents deemed "least likely to exit" rated the statement "I can easily approach my manager to ask for help" a 4.4 (on average), while respondents deemed "most likely to exit" rated the same statement 3.1 (on average). There was a similar jump in ratings for the statement "My manager respects my personal values, even if they don't agree." Those deemed "least likely to exit" rated the statement a 4.4 (on average), while respondents deemed "most likely to exit" rated the same statement 3.2 (on average).

Average rating of "My manager respects my personal values, even if they don't agree," by likelihood of leaving the organization in the next year (n=1036)

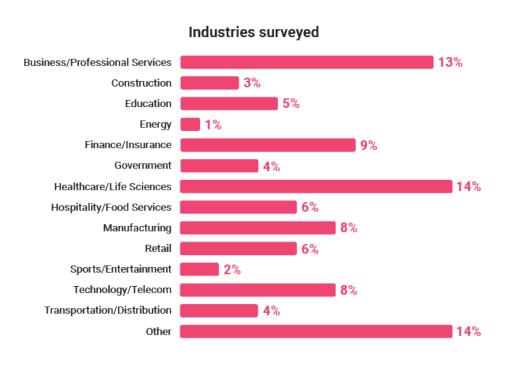


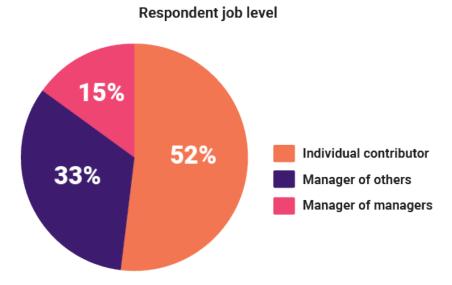
Average rating of "I can easily approach my manager to ask for help," by likelihood of leaving the organization in the next year (n=1039)



Responses

There was a total pool of 1,042 responses—with one invalid response and 1,023 complete responses. Incomplete responses were still included in the analysis as there was nothing to indicate the responses were invalid. Here's some information about the respondent pool:





The survey was promoted through email and social media with the incentive of being entered in a sweepstakes to win a \$500 gift card for survey completion.

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