



***Protect Your Investment:
4 Critical Skills Managers MUST Learn to
Engage and Retain Talented Employees***

By Kelly Riggs

With all of the pressures of today's competitive environment, can any business afford not to get the most out of its employees? While organizations invest heavily in tangible resources to grow and capture market share, a single ineffective manager can dramatically limit productivity and decrease the return-on-investment on those assets. In this report, we reveal how employee engagement is directly linked to corporate profitability and discover four critical skills every manager must learn to engage and retain talented employees.

Introduction

Hiring and retaining talented employees is critical for one simple reason – if your company is unable to find and *keep* talented employees, you are losing a small fortune before you sell a single product or service. Estimates of the cost of employee turnover range as high as 200 percent of an employee’s annual compensation, depending on position and industry. However, a compilation of the ten *lowest* estimates available indicates that an employee earning just \$8.00 per hour will cost your company at least \$5,505.80 to replace when they leave, one-third of the employee’s annual salary.¹

This means that, for a company with 200 hourly employees and an annual turnover rate of 25%, the negative impact on the company’s bottom line is over \$275,000, and could be three to five times that amount - each and every year! And these aren’t the only “costs” associated with employee turnover. There is the cost of losing the employee’s knowledge base, the cost of losing any substantial technical expertise to which the company no longer has access - even the costs associated with losing the employee’s customer contacts. In many cases, there may also be a significant amount of momentum that is lost when a talented employee departs the company, a “cost” that is easy to recognize, yet difficult to measure.

In discussing the consequences of employee disengagement and turnover, the following questions will be considered in this report: What is employee disengagement? Why do employees become disengaged? Why, ultimately, do employees leave their companies? What can employers do to effectively address these challenges?

Costs of Hiring New Employees	Costs of Training New Employees
Advertising	Training time and expense
Interview time and expense	Training materials
Recruitment costs	Limited productivity until trained
Relocation costs	
Referral bonus	
Travel expenses	
Pre-employee assessments	

Figure 1. Minimum Employee Turnover Cost = Cost of hiring new employees + Cost of training new employees

What is employee engagement?

Why do employees become disengaged?

Why do employees leave companies?

What can employers do to effectively address these challenges?

[1] Source: Sasha Corporation. "Compilation of Turnover Cost Studies." Retrieved October 29, 2007 from <<http://www.sashacorp.com/turnframe.html>>.

Employee Engagement/Disengagement

"Motivation is everything. You can do the work of two people, but you can't be two people. Instead, you have to inspire the next guy down the line and get him to inspire his people."

Lee Iacocca

"Engaged" employees are defined as being fully involved in their work and enthusiastic about their job responsibilities and the workplace environment. They are their organization's most productive employees and feel deeply connected to the company and its objectives. Unfortunately, according to the Gallup Organization, only 29 percent of employees fit into this category² [Note: See Appendix 1 for a list of employee engagement survey questions developed by the Gallup Organization].

On the other hand, 71 percent of employees are "disengaged." These are employees who are *not* fully involved in their work and are generally disinterested in the company's priorities and objectives. At the far end of this scale, "actively disengaged" employees (15 percent) are simply showing up to collect a paycheck, are likely to be doing the minimum work required to get by, and are often active in *undermining* the work done by the company's engaged employees.³

Research data provides some essential clues to the reasons for employee disengagement. According to a recent Conference Board Report, two-thirds of employees surveyed reported that they were not motivated to drive their employer's business goals (these are classically disengaged employees). At the same time, those same employees judged only one in three managers to be an effective *leader*.

Roughly two-thirds of employees are disengaged, while two-thirds of managers are considered to be poor leaders. Might there be a connection between these two data points?

Workplace researcher Leigh Branham thinks so. In his book *The 7 Hidden Reasons Employees Leave*, Branham analyzed data derived from 19,700 employees surveyed by the Saratoga Institute and determined that 70 percent of the reasons employees leave a company are *directly* related to factors controlled by the employee's *manager*.⁴

[2] Source: Gallup Study: Engaged Employees Inspire Company Innovation. Gallup Management Journal, October 12, 2006.

[3] Ibid.

[4] Leigh Branham. *The 7 Hidden Reasons Employees Leave* (2005). New York: Amacom. 27.

Without effective leadership, even a good team is headed for trouble...it is likely that the results will be poor performance and lost revenue.

Why would a talented, and often well-paid, employee leave an ineffective manager? Several reasons are cited by employees: lack of fulfillment, lack of challenging work, lack of career development, lack of encouragement and/or recognition, too much micro-management, too little empowerment, the inability to make decisions, the inability to solve obvious problems, a lack of attention, a lack of communication, isolation, and poor *team* performance. Most, if not all, of these circumstances are controlled or impacted by the employee's manager.

Even with substantial survey data pointing to poor management *leadership* as a significant contributor to employee engagement and/or performance issues, there is a natural tendency to assign blame to various other external factors, including the economy, the company's competitors, the company's business strategy, government regulation, the company's product mix or marketing plan - and certainly the employees themselves. While each of these items do, indeed, merit consideration, it is clear that high-performance will always be significantly compromised if a *team* lacks a talented *team leader*.

Take-away: Employee disengagement is a problem created mostly created by poor management leadership and is likely a considerable drain on your company's profitability.

The Wrong Solution

Typically, when a company identifies a problem with employee commitment, accountability, or engagement, the first thought is to invest thousands of dollars to train the *employees*. Research indicates that not nearly enough consideration is given to providing advanced training for the individuals who will have the greatest impact on the productivity of those employees – the managers:

Lack of training could be another factor that contributes to the development of bad bosses. An August 2007 survey by the Institute for Corporate Productivity (i4cp) in conjunction with HR.com found that almost half - about 47% - of the 338 organizations surveyed *have no training programs for new supervisors* [italics mine]. And the majority of organizations that do provide such training do not measure its effectiveness.⁵

The truth is that managers are usually promoted to their positions due to factors that have little to do with people (leadership) skills. In fact, first consideration for a promotion to management is usually given to individuals who have demonstrated superior performance, knowledge, or technical skill, with little regard for the skills and talents that characterize effective *leaders*. If, however, your managers are not well-trained in the skills of hiring, developing, and leading talented employees, it is likely that:

- A significant number of your employees will become disengaged
- A number of these disengaged employees will leave the company
- Many of these employees will fail to develop their full workplace potential
- Your company will miss out on the services of many highly talented employees that never get *hired*

71 percent of the U.S. workforce is “not engaged” or “actively disengaged.” These are employees who are disconnected and disinterested in your company’s objectives, and not nearly as productive as their enthusiastic, engaged counterparts.

Employee Disengagement

A 2006 Gallup study classifies 56 percent of the U.S. workforce as “not engaged”; i.e., employees who are disconnected and disinterested in your company’s objectives, and not nearly as productive as their enthusiastic, engaged counterparts. While they are not intentionally inflicting harm on the company, they are costing the company a significant amount of money. More disturbing, however, is the 15 percent of workers that are “*actively disengaged*”. These are employees that are not only unhappy, they are actively undermining the efforts of their co-workers.⁶

Employee Turnover

Is there a direct link between employee disengagement and employee

[5] Anne Lindberg. “The High Cost of the Bad Boss.” American Management Association (October 2007). Retrieved from <<http://www.amanet.org/performance-profits/editorial.cfm?Ed=607>>.

[6] Engaged Employees Inspire Company Innovation. Gallup Management Journal, October 12, 2006.

Employers expected only 14% of their workers to leave the company in the next year, but nearly 40% of U.S. workers indicated their intention to find a new job in the next 12 months.

turnover? According to survey data acquired by Towers Perrin, a global professional services firm, the connection is direct and specific:

In virtually all of the countries represented in our 2007-2008 study, the more engaged the workforce, the greater the percent of employees intending to remain with their current employer. More than half (51 percent) of engaged employees across our global sample have no plans to leave their employer and only 4 percent are actively looking for another job. At the other extreme, 28 percent of disengaged employees are actively looking for another job and only 15 percent indicate that they have no plans to leave.⁷

Further, a 2005 Emerging Workforce Study compiled by recruiting and staffing firm Spherion reveals that only 44 percent of U.S. workers believe their companies are taking steps to retain them, and 31 percent believe there is already a turnover problem at their company. The study also indicates that employers expected only 14 percent of their workers to leave the company in the next year, but *nearly 40 percent of U.S. workers indicated their intention to find a new job in the next 12 months* [italics mine].⁸

Diminished Productivity

Engaged employees make money; disengaged employees cost money. The Gallup organization estimates that disengaged employees are costing U.S. corporations up to \$363 billion annually in lost productivity alone.⁹ Conversely, the Towers Perrin study cited previously found that those firms with the “highest percentage of engaged employees collectively increased operating income 19% and earnings per share

[7] Press Release: Towers Perrin Study Finds Significant "Engagement Gap" Among Global Workforce. Tower Perrin. October 22, 2007.

[8] Press Release. Major Workforce Study Exposes Serious Disconnects Between Employers and Employees. Spherion 2005 Emerging Workforce Study. November 28, 2005. Retrieved from http://www.spherion.com/press/releases/2005/Emerging_Workforce.jsp

[9] Leigh Branham. The 7 Hidden Reasons Employees Leave (2005). New York: Amacom. 4.

"You must not only attract talent but also foster an environment in which your clever people are inspired to achieve their fullest potential in a way that produces wealth and value for all your stakeholders."

**Rob Goffe and
Gareth Jones,
Leading Clever People
(HBR, March 2007)**

28% year to year" while those companies with the *lowest* percentage of engaged employees "showed year-to-year declines of 33% in operating income and 11% in earnings per share."¹⁰

Disengaged employees are not as productive, almost certainly do not pay as much attention to detail, they rarely go the "extra mile" for your customers, and it is reasonable to conclude that they do not follow-up on items of importance as vigorously as you would like.

Failure to Hire Talent

The cost of disengaged employees can be estimated. The cost of replacing talented employees can be estimated. On the other hand, it is difficult to calculate the cost of talented employees that *never get hired*, despite the fact that identifying and hiring talented employees is widely considered to be *the* constraining resource in today's business climate:

There is a surplus of capital chasing a scarcity of talented people and the knowledge they possess. In today's economy, that is the constraining - and therefore strategic - resource.¹¹

If managers are untrained and incapable of hiring top level talent, It is reasonable to conclude that, in failing to hire those talented employees, they are hiring sub-par employees instead. Research data compiled by Bradford Smart, Ph.D. in 2004 indicated that the cost of mis-hiring (that is, hiring sub-par employees) is as high as fifteen times the manager's base salary. For a mid-manager whose salary is in the \$100,000 range, the negative impact on the company of poor hiring could be as high as \$1.5 million.¹²

Take-away: The typical solution to employee problems is to provide employees with training. While employee training is necessary, it is much more important to adequately train and prepare the managers who leads those employees.

[10] Press Release: Towers Perrin Study Finds Significant "Engagement Gap" Among Global Workforce. Tower Perrin. October 22, 2007.

[11] Christopher A. Bartlett and Sumantra Ghoshal. Building Competitive Advantage through People. MIT Sloan Management Review. 2002;43(2):34-41.

The Right Solution

The solution to employee disengagement and turnover is straightforward – *provide effective and practical leadership training for your managers*. Managers must acquire essential *leadership* skills to go along with their well-developed technical skills. If, for any reason, you doubt the role that a manager plays in the performance of his or her employees, ask yourself these three important questions:

1. Who hired your employees?
2. Who trained those employees?
3. Who leads those employees?

The evidence is clear – it is the company's managers who shoulder these responsibilities. Managers hire, train, and lead employees, and they are largely responsible for their performance and their level of engagement.

Chuck Knight, CEO of Emerson Electric CEO from 1973-2000, led his company through the second half of an almost unprecedented business winning streak – forty-three consecutive years of annual increases in earnings per share and dividends per share. In a 2006 interview with McKinsey Quarterly, Knight made these comments about employee engagement and retention:

[The] environment here is really the key to retention, and I wish I could explain it better. We're a demanding company, but we're fair... We really do care about our people. We worry about them. For example, we do a survey every two years to gauge the attitudes of our employees. We do this everywhere, at every plant, for hourly employees as well as salaried. And we track the results. **If there are bad managers or supervisors out there, it shows up and we either fix the problem or get rid of them** [emphasis mine]. If there's an issue, we see it and deal with it. That's one reason why very few of our plants are unionized—our employees are satisfied.¹³

"The best executive is the one who has sense enough to pick good men to do what he wants done, and self-restraint enough to keep from meddling with them while they do it."

Theodore Roosevelt

[12] Source: Bradford D. Smart, PhD. *Topgrading: How Leading Companies Win by Hiring, Coaching, and Keeping the Best People* (2005). New York: Penguin. 44.

Knight's point is clear: *employee satisfaction* is critical to a company's success and managers play the vital role in creating that satisfaction. To improve employee engagement and reduce workplace turnover, managers must learn and practice the leadership skills that address employee satisfaction.

Consistently, however, the most common method for addressing employee satisfaction is to offer more money and/or changes in benefits. In fact, 89 per cent of employers believe that employees leave companies for one reason only - more money. Surprisingly, extensive research indicates that the exact opposite is true – 88 percent of employees report that they leave their companies for reasons *other than money*.¹⁴

“The principle goal of education is to create men who are capable of doing new things, not simply of repeating what other generations have done - men who are creative, inventive and discoverers.”

Jean Piaget

Take-away: Employees almost always leave companies for reasons other than money. To engage and develop talented employees, managers must develop the leadership skills that create employee satisfaction.

What Kind of Training?

There are a number of different skill sets that managers need to be effective in the workplace. Management experts divide these skill sets into four distinct functions: planning, organizing, leading, and controlling. Unfortunately, most managers find themselves with little, if any, specialized training in these areas. Instead, they are typically promoted based on the merits of superior performance, advanced technical skills, specialized knowledge, and, in some case, tenure.

This is consistent with my experience in training and coaching managers in the workplace. The vast majority of complaints that managers have about their respective jobs are related to dealing with *employees* – not to the specific technical aspects of the job. In other words, these

[13] Michael R. Murray Jr. and Warren L. Strickland. "Managing for growth: An interview with former Emerson CEO Chuck Knight." McKinsey Quarterly, November 2006 (web exclusive). Retrieved from http://www.mckinseyquarterly.com/article_page.aspx?ar=1876&L2=18&L3=30&srId=17&gp=0

[14] Leigh Branham. *The 7 Hidden Reasons Employees Leave* (2005). New York: Amacom. 3.

"The growth and development of people is the highest calling of leadership."

Harvey S. Firestone

managers have far fewer challenges with planning, organizing, and even controlling (budgets, scheduling, policy and procedure, operations management, etc.) than they do with *leading* employees.

The important question is this: Which leadership skills are absolutely essential to today's manager? Frankly, there are a number of critical leadership skills that managers must acquire that are essential to creating employee satisfaction. These skills nominally include identifying and hiring talented employees, communicating effectively, creating an environment of trust, resolving conflict, performance coaching, managing change, and employee empowerment. However, survey data generated by Vmax Performance Group has identified four specific skills that managers rate themselves as executing much more poorly than others although these skills are directly related to creating employee job satisfaction. These four critical skills are identified by the following survey questions asked of participants in our 1-on-1 Management™ training (see Figure 2):

1. *Do your employees know exactly what your performance expectations are for them?* (6.68)
2. *Do your employees know what measures are used to grade their performance?* (5.71)
3. *Are those measurements reviewed regularly with employees?* (5.52)
4. *Do you routinely recognize and reward excellence?* (6.65)

Managers answer these questions by rating their own management practices on a scale of 1 to 10, with 1 being the lowest rating (Never) and 10 being the highest (Always). Of all the questions asked in the 1-on-1 Management™ surveys, these questions have generated four of the five lowest ratings among all managers surveyed by Vmax Performance Group. [Note: The fifth question is discussed below.]

What these survey results indicate is that managers spend far too little time, 1) establishing clear performance expectations for each employee, 2) establishing and communicating the measures used to grade performance, 3) reviewing job performance relative to those specific measures, and 4) creating an environment where the reward and

recognition of excellent performance is the norm. However, without clearly established expectations, how effective will an employee perform his or her job requirements? Further, how much job satisfaction is derived in a position where the standards of performance are not well known, consistently reviewed, and rewarded when attained or surpassed?

Imagine a track athlete who does not know the exact length of the race in which he or she will compete, what obstacles may stand in the way (hurdles, for example), and how fast they must finish to be competitive or even win the race. While completely unheard of in sports, the workplace is often exactly like this. Job descriptions generally provide a list of tasks that must be performed in a particular position, and the company manual usually provides a list of rules and regulations to follow in the performance of job duties, but neither of these documents provide a clear idea of the performance expectations for the employee – or what measures will be used to grade performance.

"High achievement always takes place in the framework of high expectation."

Charles Kettering

Perhaps the most surprising revelation from the 1-on-1 Management™ survey is the response to this question:

- 5. *Have your employees been trained well to do the things expected of them?* (6.26)

According to respondents, not only are they failing to communicate expectations clearly, they also rate themselves quite poorly in consistently providing their employees with the ongoing training necessary to excel in their respective jobs.

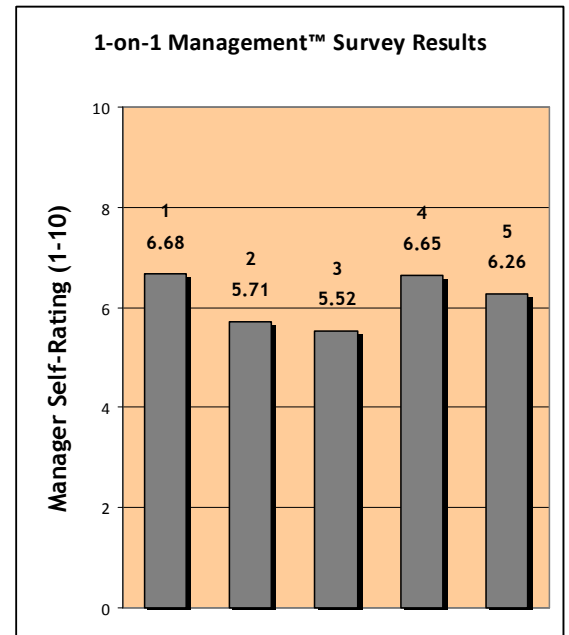


Figure 2.
1-on-1 Management™ Survey Responses.
Courtesy Vmax Performance Group.

"The predominant myth about effective managers assumes managers lead intuitively and instinctively. But the truth is vastly different. The majority of effective managers are not born; they learn and practice basic management skills to become effective leaders. Unfortunately, many companies thrust new, untrained employees into positions of authority with little or no formal training."

Jim Jenkins
"Getting Up to Full Speed"
HR Magazine
(April 2006)

Unclear expectations. Unknown performance measurements. Inconsistent or inadequate training. How effectively can a manager provide feedback to an employee when performance standards and expectations are unclear? Is it constructive to criticize employee performance when performance measures are not clearly defined? How much job satisfaction is derived in a position where performance is not recognized or rewarded?

Take-away: It is difficult to fairly assess the performance of any employee in which clear expectations for performance have not been established. Worse, when expectations and performance standards are not clearly communicated and excellence is not recognized and/or rewarded, it negatively impacts employee performance AND employee engagement.¹⁵

Four Critical Skills Necessary to Improve Employee Engagement

Coaches in almost every sport are required to assemble a group of disparate individuals into a high-performance *team*. It is difficult to imagine any successful sports team in which the team members are not keenly aware of the coach's expectations - for the team's performance, their individual performance, their attitudes, their support of the team, and their commitment to practice and personal development. Many of these expectations are a part of the athlete's formal contract, while others, though less formal, are no less required.

Based on my experience in training and coaching corporate managers, I believe that the vast majority of managers are failing to receive adequate training in the following four management skills that are critically important to engaging talented employees and improving workplace performance:

1. Clearly communicate expectations in all situations
2. Where applicable, create the measures that will be used to

[15] Marcus Buckingham and Curt Coffman. *First, Break All the Rules: What the World's Greatest Managers Do Differently* (1999). New York: Simon & Schuster. 32-34.

grade employee job performance

3. Consistently review those measures with the employee
4. Routinely recognize and reward excellence relative to any employee expectations

Create Performance Expectations

For every critical job requirement, a manager must clearly define his or her expectations for the *desired results*, though not necessarily for the step-by-step process. This is especially true in situations where the desired outcome is not an “operations” process, but a satisfactory employee-customer encounter, as discussed in *Human Sigma: Managing the Employee-Customer Encounter*:

Great organizations and managers...legislate goals, not steps. They view excellence within a role as attaining the right outcomes – not just conforming to a script and doing it the “right” way... When the outcomes are clear, and people are free to discover how to use their unique talents to achieve them, unbelievable things begin to happen.¹⁶

"Never tell people how to do things. Tell them what to do and they will surprise you with their ingenuity."

**George S. Patton,
General, U. S. Army**

For instance, a receptionist may be required to answer the telephone within a prescribed number of rings and use a particular script to greet the customer; however, the *desired result* is a satisfactory interaction between the customer and the employee. This expectation will have to be clearly identified, described, and communicated to the receptionist by his or her manager.

In most cases, expectations are defined in terms of performance and a measurement must also be created (see below). In many instances, however, expectations are defined by other standards. For example, a manager may establish the clear expectation that an employee will always act professionally and treat co-workers with respect. Or, the customer *always* comes first. Or, we *never* leave for the day until all orders have shipped.

[16] John H. Fleming, Ph.D. and Jim Asplund. *Human Sigma: Managing the Employee-Customer Encounter* (2007). New York: Gallup Press. 43.

"An organization that wants to achieve skill in doing some activity and yet is unwilling to recruit, select, compensate, evaluate, or measure very much or at all on the basis of that activity will achieve its performance goals only through some form of divine intervention."

Jeffrey Pfeffer

Regardless of the situation, expectations of employee behavior and performance should be specifically and consistently communicated. Job descriptions may provide a nominal level of expectation for an employee, but these documents are generally a description of the tasks the employee should be able to perform adequately, but the specific expectations for the performance of those tasks is most likely not included.

Create Performance Measures

Performance measurements can be created for any job function: sales revenue, pieces per hour, quality ratios, customer satisfaction, on-time delivery, accident-free days, profitability, order accuracy, percentage of plan, expenses as a percentage of sales – all of these, and dozens more, can be used to determine job performance.

A word of caution, however; the inclusion of too many measures is often just as bad as having none at all. You should limit performance measurement to two to four critical measurements if possible, and those measures should be ones that the employee can directly impact with his or her performance. With specific performance measures in place, 1) training can be conducted with specific results in view, 2) standards of performance can be established and touted for all levels of experience, and 3) compensation can be linked to excellence, if desired and where applicable.

Again, not all expectations necessarily include a performance measurement ("Our employees will be always be professional and courteous to their co-workers"), and it is important to take all expectations into account in employee performance review, not just those expectations with specific measurements in place.

Consistently Review Performance vs. Expectations

Among the data analyzed from 1-on-1 Management™ surveys, this is the specific area in which managers grade themselves lowest (5.52 on a scale of 1 to 10). Even those managers that reported having employee performance measures in place acknowledged their failure to review those measures on any kind of regular basis. This leads to predictable

Empowerment does not mean that employees are free to do as they please, nor does it mean that managers no longer have the responsibility to lead the organization or hold employees accountable.

predictable consequences, as described in *Human Sigma*:

Without constant, objective feedback about their performance, it's likely that employees will wander off track, thinking their actions are uniformly productive and positive; managers without recourse to objective performance data will tend to overestimate how well they are doing.¹⁷

Unfortunately for all involved, employee performance is typically reviewed on an annual basis, the often feared "employee appraisal." This annual ritual is an event that often leads to employee stress, anger, and confusion - and, not surprisingly, employee disengagement - when the stated objective of the appraisal is *performance improvement*. This is not to imply that performance appraisal is unnecessary, but it does lead many to believe that the traditional performance review methodology is largely ineffective.¹⁸

The preferred alternative is to review performance on a regular and consistent basis. A good example of this process is those organizations whose business is managing major league sports teams. An NBA basketball organization, for example, does not play eighty-two games and then review each player's performance at the end of the year. Instead, management critically analyzes and coaches for performance improvements *after each and every game*.

Recognize and Reward Excellence

The recognition of excellence is perhaps the most powerful management tool that any manager has at his or her disposal, but, according to the survey data from managers I have trained, it is a tool that they use far too infrequently. Unfortunately, this is a very expensive oversight.

In *The Carrot Principle*, authors Adrian Gostick and Chester Elton

[17] Ibid. 57.

[18] For a more complete discussion on the problems inherent in performance appraisals, see *Abolishing Performance Appraisals: Why They Backfire and What to Do Instead* (2002), by Tom Coens and Mary Jenkins. San Francisco: Berrett-Koehler.

published the results of survey data taken from 26,000 employees who were asked to rank their agreement with this statement: "My organization recognizes excellence." For the top 25 percent of companies with employees claiming the highest level of agreement, their companies recorded much lower employee turnover and significantly better financial results.

In most cases, however, the only carrot a company offers to its employees is a paycheck - despite the enormous wealth of research indicating that compensation, while important, is not the primary driver of long-term employee engagement and/or improvements in performance.

Conclusion

With all of the pressures bearing down on your company, can you afford not to get the most out of your employees? While organizations invest heavily in tangible resources in order to grow and capture market share, **a single ineffective manager can dramatically limit productivity and decrease the ROI on those assets.** If your managers are not well-trained in the skills of hiring, developing, and retaining talent, it is likely that:

- A significant number of your employees will become disengaged
- A number of these disengaged employees will leave the company
- Many of these employees will fail to develop their full workplace potential
- Your company will miss out on the services of many highly talented employees that never get *hired*

Question: Is it engaged or disengaged employees that create profitable new ideas and innovative solutions for your company's customers?

Question: Is it engaged or disengaged employees that solve problems

"Of all the decisions an executive makes, none is as important as the decisions about people, because they determine the performance capacity of the organization."

Peter F. Drucker

[19] Adrian Gostick and Chester Elton. *The Carrot Principle: How the Best Managers Use Recognition to Engage Their People, Retain Talent and Accelerate Performance* (2007). New York: Simon & Schuster. 16.

"Even though worker capacity and motivation are destroyed when leaders choose power over productivity, it appears that bosses would rather be in control than have the organization work well."

Margaret J. Wheatley

and improve operational efficiencies at your company?

Ironically, companies often invest thousands of dollars to train their employees, yet they overlook the advanced training that managers desperately need to effectively lead those employees. It is the company's managers who will hire, engage, and retain its employees, and those managers will have the greatest impact on the productivity of the employees.

Protect your most valuable investment! Provide your managers with the training that will allow them to acquire these mission-critical skills.

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For more information on the benefits of 1-on-1 Management™ training, visit www.1-on-1management.com or email kelly@vmaxpg.com to request the free monthly 1-on-1 Management™ e-zine.

Appendix 1

Gallup Q12 Employee Engagement Questions

1. Do you know what is expected of you at work?
2. Do you have the materials and equipment you need to do your work right?
3. At work, do you have the opportunity to do what you do best every day?
4. In the last seven days, have you received recognition or praise for doing good work?
5. Does your supervisor, or someone at work, seem to care about you as a person?
6. Is there someone at work who encourages your development?
7. At work, do your opinions seem to count?
8. Does the mission/purpose of your company make you feel your job is important?
9. Are your associates (fellow employees) committed to doing quality work?
10. Do you have a best friend at work?
11. In the last six months, has someone at work talked to you about your progress?
12. In the last year, have you had opportunities at work to learn and grow?

Source: Marcus Buckingham and Curt Coffman. *First, Break All the Rules: What the World's Greatest Managers Do Differently* (1999). New York: Simon & Schuster.

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