Published in Employment Relations Today

How Hands-On Management Can Hold Your Company Back

By John W. Myrna

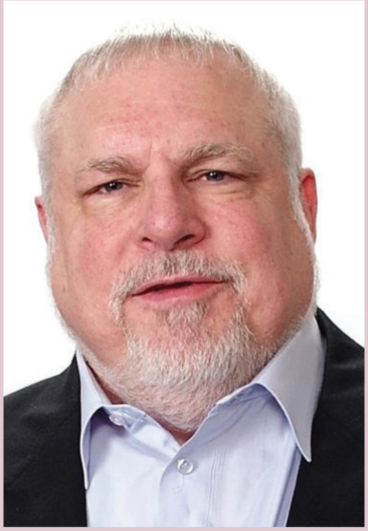
Many companies pride themselves on fostering a "hands-on" management style.

Individual managers, from the CEO down, actively participate in the daily operation of the business. Although their real-time participation guarantees that their judgment and expertise gets applied to even the most mundane operational decisions, it can be a double-edged sword. If managers have a hand in everything, how can the rest of the team be truly empowered, feel valued, or be trusted?

This article uses the extended example of a company I call Wicket Worldwide, an amalgam of actual companies I've worked with specifically addressing the issues raised by hands-on management. The example helps to frame the problem and explain why it's detrimental to a company's success when managers become "indispensable" in running the day-to-day business operations and describes what can be gained when a company moves beyond that paradigm.

A COMMON SCENARIO

It all started simply enough. I was facilitating a strategic planning-review meeting for a family business, Wicket Worldwide. The usual agenda for the day included a meeting with the executive management team in the morning, with the middle managers joining us in the afternoon. The major topic of discussion with the executive management was how to best engage the middle managers in the strategic planning process. The middle managers had provided feedback from previous meetings saying that they really couldn't afford the time the planning meetings took. It had been obvious during the previous meetings that too many participants were accepting cell-phone calls, texting, and reading and responding to e-mails. They were not fully listening and participating. This behavior was confusing to me and the executive management, since for years the middle managers had been asking for more participation and more say in the decisions that affected their lives and jobs. Participation in the planning meetings appeared to be an ideal way to engage them. The owners felt as



John Myrna is co-founder of Myrna Associates Inc., a renowned group of facilitation experts and consultants who help organizations plot successful paths during retrenchment as well as periods of expansion. Using proprietary techniques, Myrna Associates helps management teams to go from strategy to action plans and accountability quickly, starting with two-day off-site meetings and followed by one-on-one coaching and team reviews. His recent books, *An End to Meeting Madness*, coauthored with team member, Maria C. Birkhead, and *Where the Hell Are We*, document his successful methodologies validated over 30 years of strategic experience. He can be reached via e-mail at johnw@myrna.com or his company's website, **www.myrna.com**.

frustrated as a minister who has been preaching the benefits of a virtuous life with no apparent daily impact on the congregation.

This time around, the executive team asked me to meet alone with the middle managers in the afternoon, in hopes that I could get a clearer sense of how to structure the afternoon planning meetings to optimize their value and people's participation. (There was a suspicion that these discussions would be more candid if the managers of the middle managers weren't in the afternoon meeting.)

The one thing the owners wanted to establish formally was that from now on, they expected full attention from every meeting participant. In particular, they expected everyone's iPhone and iPad to be turned off or put in "airplane mode" if they were using the devices to take notes. The sad truth is that whatever someone's intention, when their device rings, vibrates, or flashes, their attention unconsciously switches to the device—just like Pavlov's dogs acted when they heard the bell ring.

Without their managers in attendance, the middle managers opened up in the afternoon session. Although there was much shared frustration, everyone on the middle-management team conveyed an obvious and strong passion for the success of Wicket Worldwide and the Wicket family, which had founded and still ran the business. The team seemed eager to contribute to both the success of the company and the smooth transition to the next generation of family management. The situation seemed favorable—at least on the surface. However, during our discussions, the root issues of middle management's dissatisfaction became apparent. The company needed to look beyond restructuring the planning meetings to address the four key factors inhibiting people's full engagement in the planning process:

> ***The sad truth is that whatever someone's intention, when their device rings, vibrates, or flashes, their attention unconsciously switches to the device—just like Pavlov's dogs acted when they heard the bell ring.***

1. Understanding how the tactical demands of company's traditional hands-on management paradigm made it impossible for managers to be incommunicado for even a couple of hours. These people couldn't, in good conscience, turn off their phones.
2. Understanding how corporate policies and procedures were sabotaging the company's desire for individual engagement and empowerment.
3. Understanding how to best utilize each individual's passion, competence, and alignment in the planning process.
4. Understanding the importance of developing mutual trust between organizational levels of the company.

HANDS-ON MANAGEMENT: A DOUBLE-EDGED SWORD

When I told the managers about the new expectation that everyone would turn off their phones, I got immediate pushback. The manager of Plant Four spoke up and said, "I can't do that." "Why?" I asked, expecting one of the usual excuses. "You're going to impact production if I have to turn my phone off," he said.

As I listened to his and the other managers' reasons for leaving their phones on, I understood and appreciated why my request didn't make sense. One of Wicket's competitive advantages throughout its history has been its very hands-on management style. Individual managers, from the CEO down, actively participated in the daily operation of the business. They not only worked *on the business*, they were working *in the business*. Their real-time participation has guaranteed that their judgment and expertise got applied to even mundane operational decisions.

The paradigm of hands-on management had become an assumed and integral part of many of the company's procedures and policies. Wicket implemented this approach in a way that created dependence on the timely availability of a manager to answer a question and make a decision for processes to proceed effectively. The requirement that managers be available 24/7 on a real-time basis was baked into many of Wicket's systems. (The hands-on paradigm was so ubiquitous that even newly minted policies and procedures were written assuming a manager's availability for even low-risk decisions.)

This paradigm virtually guarantees that there will be negative consequences when managers are not available on a timely basis. For many processes at Wicket, *timely* meant immediately. Bad things happened when a manager, whose participation and decisions were required, was out of reach for any reason. Telling that manager to be unreachable for hours at a time for a planning meeting was viewed as a stupid request, rising out of executive management's lack of understanding of the actual work and inability to appreciate the consequences of the demand. Lower-level managers had learned to ignore such requests. Unfortunately, there are tasks that can't be done well if you are constantly interrupted. Designing anything—whether it's a new process, product, or strategic plan—is one such task. The design process is inherently one of making complex trade-offs. Consider the process of designing a new product. Customers want you to include every possible feature, they want the new product available yesterday, and they prefer it to be free. Every design is the result of balancing the considerations of quality, quantity, timeliness, and cost. In the design process, an individual, or design team, brings up each issue in turn. One by one, each new issue is put into play. At a magic moment, every relevant issue is clearly in each participant's mind and the design team starts to make trade-offs among them.

Psychologists talk about entering a *state of flow* when all the issues are clear in your mind. It takes an individual 15 to 20 minutes to achieve such a state of flow. It takes even more time for a team to achieve flow. It takes just one interruption to drop someone out of flow. All it takes is responding to a telephone call, reading an e-mail, or mentally drifting off to consider an issue unrelated to the matter at hand. The greater the number of issues to be balanced in the design process and the higher the risk associated with your decisions, the more time you need to focus your attention. We have developed an informal metric we call the *focus quotient*. It is the number of hours an individual can focus and be unavailable for short-term operational decisions before there is a significant negative impact on the company's performance.

Enabling Wicket's managers to take on tasks—including strategic planning—that require them to be in an extended state of flow and

Customers want you to include every possible feature, they want the new product available yesterday, and they prefer it to be free.

unavailable for their regular job related activities for extended periods of time (be it minutes, hours, or days) would require a reengineering of the systems they were personally baked into. Wicket's middle managers, and some executive managers, had focus quotients of minutes rather than hours, much less than the two days that are optimal for strategic planning.

Over the next two years, Wicket identified the opportunities at every management level to reengineer how to apply experience and expertise without requiring someone's real-time presence. By phasing out the requirement for a manager's real-time presence, they removed the bottlenecks created whenever that manager wasn't available to respond for any reason—sickness, travel, vacation, critical projects, or meetings.

Of course, if your company culture encourages managers to feel they are indispensable, you'll get a great deal of pushback when you first broach a systems reengineering approach like the one described above. Don't give in to it. There is only one way managers become indispensable: they make themselves so. As former French President Charles de Gaulle once said to a pompous staff member claiming to be indispensable, "The graveyards are full of indispensable men." So many folks think they are indispensable, but the world certainly keeps turning long after they are dead and gone. At some point, every employee will be gone, so don't put your company at risk from losing employees who have made themselves indispensable.

ENGAGEMENT AND EMPOWERMENT

The executive management at Wicket Worldwide preached to the workforce that they expected them to be fully engaged and empowered. I've asked executive teams what they meant when they talked about

At some point, every employee will be gone, so don't put your company at risk from losing employees who have made themselves indispensable.

engagement, and I've had team members describe the behavior of an engaged employee. By blending their responses, you get a pretty clear sense of the behavioral target. (The process of asking each team member to supply an additional meaning for the concepts of accountability, teamwork, and empowerment is an effective communications tool.) Their responses defined engaged, empowered employees as follows:

- ☐ They act within the company's core values and espouse them.
- ☐ They are observably connected—you can see that they are committed, prioritizing their daily actions based on what's best for the company.
- ☐ They contribute, personally creating value.
- ☐ They deliver results—even if they initially have to be pulled along by the ear.

- ☐ They expect, request, and provide feedback.
- ☐ They figure out the missing pieces of any task on their own.
- ☐ They have an ownership mentality.
- ☐ They have the expectation of participating, asking "How can I help?"
- ☐ They help shape company processes, including strategic planning.
- ☐ They live, communicate, and advocate the company's strategic plan to others.
- ☐ They understand the company's strategic direction, strategy, and what it means to them.
- ☐ They understand they make a difference— that they are important.

This is the behavior executive managers expect from their employees. Employees, on the other hand, expect all the talk about engagement and empowerment to be backed up with specific behaviors by management.

- ☐ They expect the *respect* demonstrated by having their input solicited and considered before decisions are made.
- ☐ They expect the *authority* to control the routine aspects of their jobs. (The more aspects of their jobs employees can control, the more empowered they feel.)
- ☐ They expect *assistance* in gaining the competence to exercise their responsibilities.
- ☐ They expect *timely responses* when they require information or approval to execute their responsibilities.

It wasn't enough for Wicket to tell people they wanted them to take responsibility and be empowered; they needed to *walk the talk* by engineering their policies and procedures to enable that empowerment. For example, how empowered can employees feel when they have to justify the need for purchasing a replacement laser-printer cartridge? Management was bewildered that its employees stopped caring after such a printer-cartridge policy was instituted. Step one of getting the engagement of empowered employees was to actually empower them. It's a simple concept, but one that's all too easy to mishandle.

Hands-on management doesn't automatically require direct control of all decisions. There are better approaches to providing oversight and control than forcing employees to obtain permission before acting. For routine decisions with low risk, control and accountability can be exerted by a manager through regular review of their subordinates' decisions. For example, Wicket revised its policy on business expenditures to provide every employee with a dollar amount that he or she was authorized to spend without real-time approval. Along with that policy, a system was put in place to hold employees accountable for those decisions by reviewing them daily, weekly, or monthly, as appropriate. The dollar amounts were set by considering both the employees' demonstrated judgment and the needs of their positions. For example, any employee could feel free to buy a soda or cup of coffee for a customer. A branch office manager could purchase printer cartridges or a box of pens when needed, no questions asked.

Over time, as Wicket made every employee's decisions transparent and then held them personally accountable for those decisions, it aligned each employee's daily work with company values, goals, and control.

Empowered employees feel respected. Employees know they are respected when their input is solicited, understood, and considered *before* decisions that affect them are made. Wicket used planning meetings as one tool for implementing this. Management by walking around was another. They established a procedure that, when drafting new policies such as managing temps, making customer proposals, or purchasing, the manager must chat with those affected before finalizing and publishing the operating version.

Another way to let your employees know they are respected is to offer a timely response to e-mails and telephone calls. At Wicket, one manager had commented about how hard it was to trust the purchasing manager: "He doesn't care about me or what I need for my job. His office door is always closed, and he doesn't answer his phone or respond to e-mail. I can't get the simplest answer from him." When pushed, the manager acknowledged that in response he didn't always worry about responding to the purchasing manager's requests: "He doesn't respect me, why should I respect him?"

> ***Employees know they are respected when their input is solicited, understood, and considered before decisions that affect them are made.***

Asking rather than telling reinforces empowerment. Wicket's employees cared deeply about their company. When executive managers started to ask for their help, rather than *telling* them to do something, it let employees say yes and demonstrate that caring.

UTILIZE YOUR MANAGEMENT TEAM EFFECTIVELY

In my experience, it isn't useful to frame your staffing issues around "good" employees and "bad" employees. A more useful framework is to think of employees as either being in the right job for them or in the wrong job. Typically, 20 percent of your workers are in the perfect jobs for them—and 20 percent are in the worst job for them. The elements that create that fit include how passionate they are about their jobs, how competent they are in their jobs, and how well the requirements of the jobs align with the employees' personal needs.

Because Wicket's existing management systems relied on individuals' continuous real-time presence, it wasn't practical for them to be incommunicado in a long strategy meeting. Regardless of their passion for or competence in the planning task, the obligations of their current jobs did not align with a direct planning role. A more appropriate approach for these managers was to participate in smaller action-plan teams and informally review emergent goals.

> ***Managers with the passion and competence for strategic planning reengineered their operational roles so that they could commit the uninterrupted time required for quality planning.***

Over the next two years, managers with the passion and competence for strategic planning reengineered their operational roles so that they could commit the uninterrupted time required for quality planning. They got their focus quotient large enough to function in that role. Having individual sit-down meetings with their managers turned out to be the best way to identify an individual's best short-term and long-term roles in strategic planning.

Along with the short-term alignment, there needed to be a commitment to reengineering policies and/or procedures so that a lower-level associate could take real-time action more often—ideally 80 percent or more. This increased productivity, improved turnaround time, and made it practical for a manager to work on activities like planning that require large blocks of uninterrupted time. Typically, 20 percent of a manager's decisions produce 80 percent of the impact (the Pareto Principle). As Wicket reengineered its systems to delegate the lower-impact 80 percent of decisions, it allowed managers to focus more brain power on the most important ones. It also increased the likelihood that the manager would be able to make decisions on the remaining 20 percent in a timely manner. (For more on delegation, see "How to Double the Impact—And Output—of Your Management Team," *Employment Relations Today*, Summer 2009.)

The payback from delegation was much more than merely enabling managers to participate in flow-time activities like strategic planning. Delegating the 80 percent of routine work to subordinates made managers five times more valuable. Some of the managers implemented an even more aggressive delegation program to develop the competence of their subordinates to routinely handle 96 percent of their current daily tasks. By focusing their attention on the most valuable 20 percent of the most valuable 20 percent (i.e., the absolutely most valuable 4 percent), those managers became as much as 25 times more valuable. The company was rewarded with significantly higher performance and the managers with significantly higher compensation.

DEVELOPING TRUST IS KEY

The hands-on paradigm can be a vehicle for building trust or it can be a trust inhibitor. When hands-on implementation focuses on control and negative feedback, people are reluctant to discuss issues with their managers in direct attendance. This was especially true at Wicket, where there was a well-deserved expectation that managers will respond negatively. When a manager uses negative feedback as a club, it's no surprise that their subordinates keep their thoughts to themselves. Wicket managers had a tendency to respond defensively to issues raised rather than to listen and work to understand underlying issues. In discussing weaknesses, it's all too easy to gloss over negative input as "complaining" rather than to view it as a productive way of identifying areas for improvement.

Trust acts like a lubricant in the running of an organization. When you deal with problems from a position of trust, you don't waste time placing blame or being defensive. When working on multiteam projects in a trusting atmosphere, you don't have to invest as much time in checking up on people. Different organizational levels of management feel free to raise issues without fear, thus eliminating many problems before they occur. I'm fond of saying that if you get angry every time someone tells you it's raining outside, then you should expect a periodic soaking.

Fear of speaking up at Wicket was part of a companywide culture. I asked the middle managers if their own teams had a similar reluctance to speak up and raise issues with them. While they would like to believe that their teams would speak up, it appears that the reluctance to do so existed down the chain as well as up. Simply stated, the employees didn't fully trust their subordinates or managers. In order to trust individuals, you must satisfy yourself that they possess three key traits:

1. **Character.** Do they tell the truth? Do they follow through? If they can't answer a question or don't know the answer, do they make up a story?
2. **Competence.** Do they know how to do the job? Do they have the skills and common sense consistent with their responsibilities/authority?
3. **Caring.** Do they care about your goals, needs, and objectives? Are their agendas aligned with yours? People don't care how much you know until they know how much you care.

Trust acts like a lubricant in the running of an organization. When you deal with problems from a position of trust, you don't waste time placing blame or being defensive.

The middle managers had a desire to have a closer working relationship with the executive team. The members of the executive team spent most of their time talking to each other. The middle managers wanted to see the next generation of Wicket family members be more visible. They were expected to take over company management within a few years and needed to build trust. Management by walking around was seen as an important means to this end. It took a while, but trust was built and strengthened as managers at all levels reengineered their roles to prioritize devoting time to nurturing relationships and trust.

Social engagement builds trust. Over the past 20 years, I've had the opportunity to work not only with companies but also with various nonprofits dedicated to improving society's view of specific minority groups. One of the most effective ways to break down stereotypes is a process called "social engagement"—essentially, spending time with actual living, breathing members of the stereotyped group. If executives don't interact with nonexecutives, if managers don't interact with subordinates, they can easily be seen as stereotypical uncaring, untrustworthy ogres.

RECOMMENDED ACTIONS

Wicket found that not everyone is well suited for tasks like strategic planning that require extensive flow time.

Have your manager's manager talk one-on-one about the best role for each employee based on the employee's current mix of passion, competence, and alignment. Clarify expectations and what actions are required and expected in both the short and long terms. Ask which of their manager's planning-related "micro-management" tasks they could assume and determine how that transition can take place. Identify managers with low *focus quotients* but a passion for participation in flow-time activities like planning or whose input is considered essential. Put a priority on reengineering their responsibilities to enable them to turn their phones off in good conscience.

Every manager's behavior should communicate that there is no reason to fear being punished or belittled for raising an issue. Make a point of listening, paraphrasing for clarity, and truly considering each employee's input.

Change the policies that undermine empowerment. Set a reasonable level of authority for unapproved purchases that don't need higher-level approval, such as $2,000 for plant managers. Match the new authority with an ongoing review process that holds them accountable for their decisions. Don't forget to tell your employees that you *expect* their engagement.

Here's the hardest step: work with your managers to recognize behavior inconsistent with exhibiting the four empowerment behaviors of respect, authority, assistance, and timely response.

Show respect by communicating an expectation that "complaints" will be solicited and listened to without placing blame or being defensive. Coach your managers to focus their questions on achieving clarification and understanding. Every manager's behavior should communicate that there is no reason to fear being punished or belittled for raising an issue. Make a point of listening, paraphrasing for clarity, and truly considering each employee's input.

Assist employees in gaining the competence required to earn the empowering authority they seek. Reengineer processes to support that empowerment by transitioning hands-on management to hands-on coaching. And set and maintain an expectation for a timely response to every request for information, review, or decision.

Ben Franklin attended Sunday service just about every week of his life. He was bemused that ministers gave sermons telling the congregation to live a virtuous life while assuming everyone could figure out how to do that on their own. Among Franklin's many accomplishments was a specific 13-point system for living a virtuous life. It isn't enough to tell people they can't access their iPhones during a long meeting. It isn't enough to tell employees they need to be engaged and empowered. And it isn't enough to tell your managers they can't allow themselves to become indispensable.

You must move beyond the talk and reengineer the status quo policies, procedures, and expectations that are preventing these virtuous behaviors around engagement and empowerment. Like Franklin, you must coach your people on exactly how to walk the talk—and be sure to walk that talk yourself.

MYRNA ASSOCIATES, INC.

TURNING VISION INTO REALITY

800-207-8192 ▲ 12810 Gaffney Road, Silver Spring, MD 20904-3517 ▲ www.myrna.com