First, Break All the Rules

Book Summary

TECH 621C Fall 2008

Dr. Bertoline

Introduction

- The book is based on research conducted by the authors while working for the Gallup Organization.
- They surveyed over one million employees and 80,000 managers in over 400 companies.
- Their conclusions summarized in the book is a result of their research into what the world's greatest managers do differently.

A Few Examples

- The greatest managers do not believe that a person can achieve anything they set their mind to.
- They do not try to help the person overcome their weaknesses.
- The consistently ignore the Golden Rule.
- They play favorites.

A Few More Examples

- Talented employees need great managers.
- How long employees stay and how productive they are is determined by their relationship with their immediate supervisor.
- Great managers characteristics:
  - Demands discipline, focus, trust, a willingness to individualize.
- If a company is bleeding people it is bleeding value.

The Measuring Stick

- Measuring the strength of a workplace can be simplified into 12 questions.
- These questions capture the most information and the most important information.
- They measure the core elements needed to attract, focus, and keep the most talented employees.

12 Questions

- 1. Do I know what is expected of me at work?
- 2. Do I have the materials and equipment I need to do my work right?
- 3. At work, do I have the opportunity to do what I do best every day?
- 4. In the last 7 days, have I received recognition or praise for doing good work?
- 5. Does my supervisor, or someone at work, seem to care about me as a person?
- 6. Is there someone at work who encourages my development?

12 Questions

- 7. At work, do my opinions seem to count?
- 8. Does the mission/purpose of my company make me feel my job is important?
- 9. Are my co-workers committed to doing quality work?
- 10. Do I have a best friend at work?
- 11. In the last 6 months, has someone at work talked to me about my progress?
- 12. This last year, have I had opportunities at work to learn and grow?

Small group discussion

- Review all 12 questions and discuss why these questions might be important.
- Share personal experiences of working and how you might answer some of these questions.
- Summarize and present your group's discussions.

What About Pay?

- Pay will not take a company very far.
- Need to be competitive to attract talent but pay is not a determining factor.
- The manager, not the pay, benefits, perks, or a charismatic corporate leader was the critical person in building a strong workplace.
- The manager was the key.
- These workers also had higher levels of productivity, profit, retention, and customer satisfaction.

Link Between Employee Opinion & Business Unit Performance

- People leave managers and not companies.
- Turnover is mostly a manager issue.
- If you have a turnover problem look first to your managers.
- Employee-focused initiative are important, but the immediate manager is more important.

Accountability

- A business leader driving a company towards greatness should:
  - First hold each manager accountable for her/his employees say to the 12 questions and
  - Second to help each manager know what actions to take to earn Strongly Agree responses from her/his employees.

There is an Order to the 12 Questions

- What do I get?
  - 1. Do I know what is expected of me at work?
  - 2. Do I have the materials and equipment I need to do my work right?
- What do I give?
  - 3. At work, do I have the opportunity to do what I do best every day?
  - 4. In the last 7 days, have I received recognition or praise for doing good work?
  - 5. Does my supervisor, or someone at work, seem to care about me as a person?
  - 6. Is there someone at work who encourages my development?
    - These questions address the issue of your individual self-esteem and worth.

There is an Order to the 12 Questions

- Do I belong here?
  - 7. At work, do my opinions seem to count?
  - 8. Does the mission/purpose of my company make me feel my job is important?
  - 9. Are my co-workers committed to doing quality work?
  - 10. Do I have a best friend at work?
- How can we all grow?
  - 11. In the last 6 months, has someone at work talked to me about my progress?
  - 12. This last year, have I had opportunities at work to learn and grow?
- Great managers focus on the first 6 questions.

The Wisdom of Great Managers

- Most great managers differ in many respects except one. Great managers believe:
  - People do not change that much.
  - Do not waste time trying to put in what was left out of a person.
  - Try to draw out what was left in a person.
  - That is hard enough.
- This is the foundation for their success.

Revolutionary Insight

- This insight explains why great managers do not believe that everyone has unlimited potential.
- Why they do not help people fix their weaknesses.
- Why they insist on breaking the Golden Rule.
- Why they play favorites.
- It explains why great managers break all the rules of conventional wisdom.
- It also explains why the more than 9,000 different systems, languages, principles, and paradigms offered in the last 20 years to explain management and leadership have failed.

What Great Managers Do

- The manager role is to reach inside each employee and release his unique talents into performance.
- This is best done one employee at a time.
- In this sense, the manager role is the “catalyst” role.
- The catalyst role relates to the first 6 questions.
- To have employees answer positively to these 6 questions a manager must be able to do these activities very well
  - Select a person, set expectations, motivate the person, develop the person.
  - These are the 4 core activities of the catalyst role.

The Catalyst Role: Question 1

- At work do I have the opportunity to do what I do best every day?
  - You must know how to select a person for the job.
  - You must know how much of a person you can change.
  - You must know the difference between talent, skills, and knowledge.
  - You must know which of these can be taught and which you must hire.

Question 2

- In the last 7 days, have I received recognition and praise for good work?
  - As a manager, you have only one thing to invest: your time.
  - Whom you spend it with, and how you spend it, determines your success as a manager.

Question 3

- Does my supervisor, or someone at work, seem to care about me
  - Driven by your ability to develop the employee and have empathy for people.

Question 4

- Does someone at work seem to care about me?
  - Someone that encourages development
  - Someone that helps them get promoted
  - Set up each person for success
- Four core activities of the “Catalyst” role:
  - Select a person
  - Set expectations
  - Motivate the person
  - Develop the person

Managers are not just leaders in waiting

- The most important difference between a great manager and a great leader is focus.
- Great managers look inward.
- Great leaders look outward.
- It is possible for a great leader to be a poor manager and vice versa.
- Few people excel at both.

The Four Keys

- When selecting someone, they **select for talent** not simply experience, intelligence, or determination.
- When setting expectations, they **define the right outcomes** not the right steps.
- When motivating someone, they **focus on strengths** not on weaknesses.
- When developing someone, they help them find the right fit not simply the next rung on the promotion ladder.

The Right Stuff

- You cannot teach talent.
- Talents are the driving force behind an individual's job performance.
- If it is a talent it will come easily for a person.
- If it is a talent it will be stimulating and not tedious.

Skills, Talents, & Knowledge

- The best managers are adept at seeing talent in a person then putting them in a position to be successful.
- An important distinction to be made is that skills, knowledge, and talents are distinct elements in a person's performance.
- Skills and knowledge can be taught; talents cannot.

Three Kinds of Talent

- Striving- explains the motivation of a person.
- Thinking- explains how a person thinks and makes decisions.
- Relating- explains who a person trusts, confronts, ignores

- You cannot teach talent you can only select for talent.

Habits

- Most habits are our talents.
- They are enduring.
- They make you.
- If you are habitually assertive, habitually emphatic, or habitually competitive, you are going to have a hard time changing these habits.
- Over time, through reflection, you might change your values and learn a more positive and productive way to apply your talents.
- This approach relies on self awareness, rather than self denial, to help you become more effective.

Attitude and Drive

- It is very difficult to change a persons dominant attitude.
- A person's drive is not changeable.

Define the Right Outcomes

- Focus people toward performance.
- The manager is totally responsible for this.
- This is why great managers are skeptical about handing all authority down to people.
- The key is to define the right outcomes then let each person define their own route toward those outcomes.
- This encourages employees to take responsibility.
- To focus people on performance, you must define the right outcomes and stick religiously to those outcomes.
- This will result in self aware and self reliant employees.

Focus on Strengths

- Great managers do:
  - Focus on each person's strengths and manage around their weaknesses.
  - They do not try to fix weaknesses.
  - They do not try to perfect each person.
  - They do everything they can to help each person cultivate their talents.
  - They help each person become more of who they are.

Break the Golden Rule

- The best managers break the Golden Rule every day.
- They treat each person differently based on their talents and unique behaviors.
- The best managers spend most of their time with their best people.
- The best managers find ways to make their employees successful and run interference for them when necessary.

Stroke Egos

- Humans crave attention and great managers go out of their way to pay attention to their best people.
- As a manager you are always on stage so no act is neutral and no news is never good news.
- Communicating and paying attention to your best people is the surest way to excellence.

Avoid “Average” Thinking

- Great managers use excellence as their barometers to judge performance.
- Great managers know that only people who are ever going to reach excellence are already above average.
- Focus on your best performers and keep pushing them towards excellence.
- Average thinking actively limits performance.
- Avoid performance evaluations that put a ceiling on performance.
- Define excellence vividly quantitatively then push everyone towards excellence.

Manage Around Weakness

- Poor performance must be quickly confronted.
- Most poor performance can be traced to the company not providing the tools or information necessary for success or personal causes.
- There are only 3 routes to help a person succeed:
  - Devise a support system- manage around weaknesses and focus on strengths. Example page 169.
  - Find a complementary partner
  - Find an alternative role

Assignment

- Look for articles that rank or describe great companies by any measure and summarize your findings.

Create Heroes in Every Role

- It takes between 10 and 18 years before world-class competency is reached.
- You must find ways to keep employees motivated and focused on developing their expertise.
- Defining graded levels of achievement for every role is an extremely effective way of doing so.
  - Allied Brewers example, page 187.

Performance Feedback

- Great managers devise a regular performance feedback system.
- Feedback is provided in private and one-on -one.
- You need to build a personal relationship but not necessarily best friends.
- You must get to know your employees and care about them.

Miscasting

- Great managers understand that underperforming employees have talents that do not match their role.
- It is not a matter of weakness, stupidity, disobedience, or disrespect but a matter of miscasting.
- They use language like “This isn’t a fit for you, let’s talk about why.” or “You need to find a role that plays more towards your strength.”

Performance Management

- Four characteristics used by great managers:
  - The routine is simple.
  - The routine forces frequent interactions.
  - The routine is focused on the future.
  - The routine asks the employee to keep track of their own performance and learning.