



LEADERS BEHAVING

BADLY

THE REASON SO MANY EMPLOYEES ARE DISENGAGED, AND WHAT TO DO ABOUT IT

WE'VE ALL SEEN IT. BLANK STARES, PERPETUAL DISINTEREST, EMPLOYEES PASSIVELY LOOKING FOR OTHER JOBS WHILE WORKING FOR SOMEONE ELSE.

These are benign symptoms of disengagement that results from failed leadership. More insidious forms include:

- **Highly political cultures**, where decision-making becomes incredibly difficult and inefficient
- **Blaming others**, where responsibility is consistently shuffled to someone else
- **Fear of conflict**, letting issues linger and ferment rather than resolving them
- **Lack of ownership** – “it’s not my job, so it’s not my problem”

Ultimately, the result of disengagement is varying degrees of the same: increased inefficiency, decreased productivity, high turnover, arm chair critics, and/or workplace chaos. For employees, it even increases workplace safety incidents across professions. The organization, in turn, receives half of the value invested in the employee, sometimes even less.

Scientific data clearly indicates that employee engagement drives organizational profitability; nonetheless, only a minority of employees in most organizations are engaged. “The evidence

suggests,” said Hogan CEO Dr. Tomas Chamorro-Premuzic, “that disengagement is not just the norm, but a worldwide epidemic.”

Global surveys show that many employees dislike their jobs. LinkedIn and other recruitment firms estimate that 70% of the workforce consists of passive jobseekers – people who are not actively looking for jobs, yet still hopeful for better alternatives. In the realm of relationships, this would equate to 70% of married people being open to replacing their spouse – or at least looking for something better.

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Moreover, even in economies with low unemployment such as the U.S., many leave traditional employment to start their own business or freelance. While an increase in entrepreneurial activity has some collective benefits, most start-ups fail, and the majority of people switching from traditional to self-employment end up working more to earn less, ultimately benefitting no one.

Once disengagement is recognized as the world-wide problem it is, the next logical question is, “Why are so many employees disengaged?”

Scientific studies highlight two main reasons: first, organizations do not understand what people really want from work; and second, a substantial proportion of existing managers are incompetent leaders.

The majority of manager-employee relations are flawed. From employee hiring to retention, from promotion to engagement, modern methods fall short of what we understand about personality. On the most basic level, managers fail to understand that their employees operate on an individual level with their own unique motives, values, and personalities. Employees, for all intents and purposes, are still treated as if they are chattel or machines lacking in personal motivations.

“Employees have three fundamental needs at work,” said Hogan Global Alliances Consultant Rebecca Callahan, “to get along with others, to get ahead in their careers, and to find meaning in what they do. These three mechanisms are the difference between a fully engaged contributor and an internet-surfing, job-hunting underperformer.”

GETTING ALONG

- Employees need to build relationships
- Managers need to put teams needs ahead of their own
- Good leaders create a culture that incentivizes good relationships
- Bad leaders compete with employees

GETTING AHEAD

- Employees desire success
- Employees need a leader who wants the employee to get ahead
- Good leaders should hire someone who is better than them
- Bad leaders don't offer a career path to success

FINDING MEANING

- Employees need to connect with what they do for a living
- Employee values should match the job, organization, and management
- Good managers help employees to find meaning in what they do
- Bad leaders ignore or create conflict with employee values

ONE SIZE DOES NOT FIT ALL. TO MOTIVATE EMPLOYEES, ORGANIZATIONS MUST LEARN TO DECODE INDIVIDUAL VALUES AND NEEDS AT A MORE GRANULAR LEVEL.

Different people may value some needs more than others, and these individual differences have salient career implications. For example, when employees value camaraderie over achievement, they'll prioritize getting along over getting ahead. And when they care more about achievement than equity, they'll tolerate unfairness as long as they can attain status.

Furthermore, the same needs may be expressed in different terms. Some people fulfill their need for achievement through financial reward, while others may define it in terms of recognition (e.g., promotions, publicity, and fancy job titles). Likewise, altruistic employees might find camaraderie in helping their colleagues, while more hedonistic coworkers might prefer to attend a happy hour together.

Clearly, one size does not fit all. To motivate employees, organizations must learn to decode individual values and needs at a more granular level. Once it's understood that each employee brings something unique to the team, engagement methods can be tailored for that employee.

INCOMPETENT LEADERSHIP

Although leaders own the job of creating engaged employees, they are generally ill-prepared for the task.

One reason is that the wrong people (typically those with seniority or technical expertise, but who lack the necessary people skills to manage teams) are often promoted into leadership positions.

A second reason many leaders are unable to create engagement is that leadership development programs tend to help those who need it the least. The best leaders typically sign up for training and coaching sessions, while their counterparts remain prisoners of their own self-belief.

“The general ramifications of incompetent or ineffective leaders who don’t pay attention to their team are vast,” said Callahan. “For example, they may attract and retain people just like themselves, creating a system with broad unconscious biases where everyone thinks the same.”

Although there are more businesses beginning to recognize the psychological view of successful leadership (i.e., that people and engagement matter), a recent poll showed that more than 71% of the American workforce remains disengaged, thanks to authoritarian leaders with a penchant for mistreating subordinates.

Hogan Founder and President Dr. Robert Hogan estimates that the baseline for managerial incompetence is at least 50%, and that may be a conservative estimate. One needs only to google “my boss is...”, “my manager is...”, or “my supervisor is...” and read the most popular auto-completion options to understand how most people regard their leaders. Research shows that most people quit their jobs because of their bosses - around 35% of the variability in team engagement levels can be attributed to leaders, and almost 70% of employees would take less money if they could fire their boss.

CONTRARY TO POPULAR BELIEF, THE MOST ENGAGING LEADERS AREN'T CONFIDENT AND FLAMBOYANT. INSTEAD, THEY'RE MODEST, SELF-AWARE, AND EMPATHIC.

FIXING ENGAGEMENT PROBLEMS

In order to fix engagement problems, organizations should start by selecting and developing better leaders through personality assessment, rather than relying solely on interviews, résumé reviews, and other outmoded tools.

Contrary to popular belief, the most engaging leaders aren't confident and flamboyant – they're modest, self-aware, and empathic, meaning that they have emotional intelligence. They fly under the radar while helping their teams perform, they're trustworthy, and they understand their limitations. In other words, the most engaging leaders are rather boring – think Angela Merkel or Tim Cook rather than Tony Blair or Steve Jobs.

More importantly, whatever their own value orientation, leaders must understand what motivates their employees, which in turn requires enhancing their emotional intelligence so they can improve their ability to understand people.

**WE HAVE ASSESSED
MORE THAN FIVE
MILLION LEADERS AND
EMPLOYEES IN MORE
THAN 400 JOBS AND 50
COUNTRIES.**

ABOUT HOGAN

At Hogan, we create scientifically defensible personality assessments to profile leaders and their teams. Our assessments don't just predict performance - they also explain it. Leaders and teams receive valuable information about their style, values, and limitations - information that helps leaders create engagement and in turn be more effective at work.

Over the past 30 years, we have assessed more than five million leaders and employees in more than 400 jobs and 50 countries. Our tools are used by 2/3 of Fortune 500 companies, as well as thousands of mid-sized and small businesses, to select and develop employees and leaders. We help organizations attract the right people and develop their full potential, particularly by teaching managers and bosses how to behave better.