

Team Leaders Need Better Data, Faster

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Study performance inside any organization and one finding leaps out at you. It's one of those revelations that is at once obvious and surprising, the sort of discovery that's as clear as day, and yet makes you realize that you've never seen it written about in the business

press. This discovery is *range*—that is, variation in performance between two teams in the same organization doing precisely the same kind of work. Whether that performance is measured as per-person productivity, quality, employee engagement, customer satisfaction, accidents on the job, or lost workdays—and even if you study highly controlled environments, such as retail or manufacturing, in which each “team” has been carefully constructed to do exactly the same job in exactly the same way—you still find significant range in the performance metrics.

Books such as *The Toyota Way* and *How Google Works* lead us to believe that organizations are monolithic—they have one business model, or one company culture, and this model and this culture explain why certain organizations are successful and others aren’t. But while, on one level, you know that it must surely feel different to work at Pixar than in, say, the federal government, on another more personal level, you know that your day-to-day experience of working is forged locally, by the actual activities of your own job, by the support of your teammates, and by the feelings of purpose, progress, and personal success created in your team. And of course, the creator of all of these feelings is your local team leader.

Your team leader is the one who makes the difference. If your organization wants high performance and engagement—or, for that matter, collaboration, innovation, quality, efficiency, and agility—then these things are created in the context of a team and a team leader, or they are not created at all. This variation in team-level data reminds us that the most important decision an organization makes on any subject is not strategy, marketing messaging, or capital allocation. It is who you make team leader. As goes the team leader, so goes everything.

Intuitively, we all know this. Many of us have worked for a great company with a rotten boss, and, sadly, seen the rotten boss trump the great company. So you might have thought that our people systems—those tools and processes that address performance and engagement

inside an organization—would all focus on serving the team leader. And yet they don't. Look closely and you realize that our entire suite of people systems misses its most important audience.

Take employee engagement as an example. Engagement happens, or fails to happen, in the context of a team. The company can provide the support and the tools, but the actual experience of working in a company is in the hands and mind of each team leader. It is surprising then to see most employee engagement programs deliver survey data in the following sequence: first the data go to HR, where they are poured over, vetted, and cleaned; then they are presented to senior management where patterns are explained and improvements over the previous year celebrated; and then finally, oftentimes months after the data were collected, they are cascaded down to team leaders ... where, inevitably and justifiably, the data are dismissed as too stale, too abstract, the broad organizational patterns irrelevant. Even some of the newer self-serve survey tools, which allow data to be collected and shared more frequently, are still designed to deliver that data to the organization's executives and the HR function.

If we are interested in actually building engagement in our organizations, rather than merely measuring it year over year, then we need to redesign our system so that it delivers real-time data to the right audience: team leaders.

The same applies to performance management. As with engagement systems, the intended audience for most performance management systems is the organization, not the team leader. The organization's goals are set at the beginning of the year; these goals are then segmented into "buckets," which are cascaded down through the ranks. Team leaders throughout the organization are required to place their own personal goals into one of the required buckets, their team members do the same, with completion percentages and ratings handed out during the year. In theory, this nested-goals approach is sensible, in that

in offers the promise of perfect organizational alignment. The reality is quite different. In reality, each individual team member's goals are so darned individual, so specific to each team member's strengths, needs, and oft-changing circumstances, that team leaders struggle to place one team member's actual goals into one of the static buckets, let alone to record reliably their completion percentage. The result is a kabuki-like process in which everyone goes through the motions of alignment, but none of it addresses what is most pressing to team leaders: namely, how to get actual work done with a specific team member in the real world.

Moving forward, performance management systems should be designed to address the practical concerns of team leaders. Once broad organizational priorities have been communicated, the team leader's chief concerns are simply: a) what are the strengths and capabilities of each team member? and b) how can I focus each person on the right outcomes this week, and the next? It will be a challenge to design tools that are simple, agile, and flexible enough to support team leaders in answering these questions, but it will be impossible if we don't keep in mind whom the tools are actually for.

Challenging though it may be, the wonderful thing about designing performance and engagement tools for the team leader is that they will be constantly *in use*, and as a result will generate real-time and reliable data from within the team. This is the brass ring for any organization—to be able to see, right now, which teams are most productive and engaged, and which aren't. At present it lies beyond our grasp. Our once-a-year ratings and surveys, deployed by and for the organization, provide no insight into what is going on inside each team. Ask the senior executives in your organization: "Today, which are our most productive and engaged teams?" They are forced to guess. They have no data, no real-time and reliable measures of team-level performance and engagement, no line of sight into what's happening inside their most important organizational units—the teams.

This blinkered approach is a risky way to run a business. And it doesn't have to be this way. Design your tools expressly for team leaders, and suddenly your organization will see.

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