## **BOOK REVIEW**

## "12: The Elements of Great Managing" by Rodd Wagner and James K. Harter

Gallup Press: New York, 1995 ISBN 10: 159562998X ISBN 13: 978-1-59562-998-2 ASIN: B004EYUGGG

[Harcover for around \$2.85 on <u>www.amazon.com</u> US\$14.37 for Kindle]

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In 1999, Marcus Buckingham and Curt Coffman of the Gallup Organization published a book called *First, Break All the Rules: What the World's Greatest Managers Do Differently.* It was based on twenty-five years of data from Gallup polls, and in addition to describing the surprising conventional management strategies that great managers ignore, it honed the thousands of Gallup poll questions used to quantify great management down to twelve questions that truly reveal whether employees are engaged with their companies' endeavors.

Business management writer and speaker Tom Peters of *In Search of Excellence* fame said, "Leaders on snorting steeds ... are important. But great managers are the bedrock

of great organizations. Great managers are an organization's glue. They create and hold together the scores of folks who power high-performing companies." *First, Break All the Rules* reinforced this idea through empirical evidence.

Seven years and nine million Gallup interviews later, *12: The Elements of Great Managing* took this research to the next level. By 2006, sciences such as brainimaging, genetics, psychology, physiology, neuroscience, sociology, economics, and game theory had produced lots more research and data that the authors used to enhance their study of the "12 Elements" from *First, Break All the Rules* and how they contribute to productivity and profitability.

*"12"* was written by Rodd Wagner and James K. Harter, who both also worked at Gallup during the years the data was recorded. Wagner is now vice president of employee engagement strategy at BI Worldwide, which teaches "the new rules of engagement" in business. In 2009, he co-wrote the bestseller *Power of 2: How to Make the Most of Your Partnerships at Work and in Life*, continuing his work in how human nature affects business strategy. Harter, chief scientist of workplace management and wellbeing at Gallup, rounds out *"12"* with his background as a researcher. He went on to co-write *Wellbeing: The Five Essential Elements*, in 2010.

*"12"* is outstanding in that its concepts are backed up by evidence and data that goes back almost four decades. In the mid-nineties Gallup's research indicated that companies' assumptions about employee satisfaction – and who within companies was driving that satisfaction – were wrong. The research is global in nature, and the "case studies" in the book come from around the world, reinforcing that the principles are embedded in human nature and not just anomalies of US culture. And for a book with a scientific approach, the concepts are easy for anyone to understand.

Evidence-based management is still gaining in popularity today, and those who have always managed by intuition are recognizing that their gut does not always provide the best guidance when it comes to ensuring their employees are happy and productive in their work. Supervising with an eye on the evidence about what works and what doesn't allows a manager to remove themselves from the emotion of a situation and deal with proven strategies.

In the introduction, the authors relate statistics about the many ways that disengaged employees can affect a company's bottom line. "The simple arithmetic of fewer employees = lower costs" doesn't work "without considering the wide range in productivity that depends on each person's engagement." They then relate *engagement* to improved attendance (fewer "mental health days" taken), fewer resignations, less turnover in general, less "shrinkage" (employee theft), fewer accidents, and better customer service and satisfaction.

Companies ranking in the top quartile of measurements of engaged employees average "18 percent higher productivity and 12 percent higher profitability." Publicly traded companies with more highly engaged workforces "outperformed the earnings-per-share of their competitors by 18 percent...In the companies that are better places to work, millions of small actions – statistically insignificant in isolation – created higher customer scores, reduced absenteeism, led to fewer accidents, boosted productivity, and increased creativity, accumulating to make a more profitable enterprise...[Employee engagement] introduces a powerful edge impossible to replicate through any other channel." Although motivating employees is often an intangible factor, it does play a role in the bottom line.

The authors conclude the introduction stating, "One of the dumbest things companies do is try to make their 'human resources' more productive while fighting what makes them human." The book demonstrates that "great managing is not some amorphous, 'difficult to quantify' concept. The data give a clear image of what is most important for inspiring people to do what the company needs of them...People neither were created to fit corporate strategies nor have evolved to do so. Rather than contest these facts, the most successful managers harness the drive, virtuosity, and spirit that come with employing humans, even as they understand the inevitable chinks in their armor."

Each chapter describes one of the 12 Elements and includes a profile of a manager who demonstrates that element in their management style. The stories are from diverse businesses, for example: turning around a failing call center, saving a struggling hotel, improving patient care in a hospital, and maintaining factory production through chronic power outages. The managers profiled are not the "prefect" ones; they have faults as well, and that makes the case studies that much more real and germane. Each provides a personal connection for the reader.

The actual 12 Elements of an engaged worker are proprietary, but the chapter titles reveal their essence:

Knowing What's Expected Materials and Equipment The opportunity to Do What I Do Best Recognition and Praise Someone at Work Cares about Me as a Person Someone at Work Encourages My Development My Opinions Seems to Count A Connection with the Mission of the Company Coworkers Committed to Doing Quality Work A Best Friend at Work Talking about Progress Opportunities to Learn and Grow

The next chapter is titled "The Problem of Pay," which is a unique element that needs a slightly different treatment than the other twelve, and the authors reveal fascinating conclusions about how compensation fits into the formula of a happy, productive employee.

Note: Some reviewers say that the Kindle version of *12* is not of good quality, so be aware of this and consider choosing the printed version instead.

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