O.C. TANNER

Traditional Leadership is Dying

Here's what HR can do to help

Update: Leadership is more important than ever in times of crisis. This year has brought multiple challenges to workplaces and gives leaders an opportunity to improve their leadership practices and help all employees thrive. Just as the workforce is quickly adapting to new work experiences and a new normal, leaders too must evolve their leadership styles to meet the needs of employees in an ever-changing situation.

For example, the recommendation below for modern leaders to hold one-to-one conversations with their people rather than annual reviews is even more crucial right now. Weekly one-to-ones during uncertain times like the COVID-19 pandemic lead to a:

- 54% increase in engagement

- 31% increase in productivity

- 47% decrease in fearfulness

- 15% decrease in burnout

- 16% decrease in depression

*Source: O.C. Tanner weekly pulse surveys

Leaders should continue to see their primary role as influencing and inspiring great work rather than micro-managing and trying to do it all themselves. Too many leaders are still stuck in a traditional leadership mindset and fall back into old habits of trying to control work and directing employees instead of coaching, mentoring, and developing their people. This robs employees of the opportunity to take ownership and lead on their own to help the company weather this storm.

As you read this whitepaper, join us and others on this journey to become the type of leader employees need in difficult times. Acknowledge that you don't have all the answers and trust your people to help you navigate through the uncertainty.

What kind of leaders do you have in your organization?

For the past 100 years, leadership has not changed much. Most companies still offer a high percentage of decision-making power to a select few. Leaders still call the shots of what their teams work on, how they work, and when and where they work. Many leaders tend to micromanage instead of inspire their people. They act as gatekeepers, rather than advocates, for career development.

Leaders are critical to building top-notch employee experiences and thriving workplace cultures. Research shows leaders influence the most important aspects of the workplace for employees: purpose, opportunity, wellbeing,

appreciation, and success. And yet as the modern workplace has developed and evolved, traditional leadership styles have not. What worked for factories in the 1900's no longer applies to today's mobile, deskless, and autonomous workforce. Traditional leadership has become outdated, with Millennials and Gen-Zers rejecting traditional leadership practices. Traditional leadership, as we've known it, is dying.

The evolution of the workplace

As the modern workplace evolves, so must the role of leaders. Today's workplace looks like this:

74%
of employees have the ability to move to different areas to do their work

52%
of employees say they have some choice over when they work

43%
of employees work away from their team at least some of the time

SOURCE: https://www.gallup.com/workplace/236108/end-traditional-manager.aspx

Employees are no longer clocking into work at 8am, being given their task for the day, sitting at their desks or workstations for 9 hours and clocking back out at 5pm. The modern workforce is highly mobile, with employees who demand flexibility and autonomy in their work. The traditional structure of boss/employee just simply doesn't work anymore.

Research shows the old model is not effective. According to O.C. Tanner's 2020 Global

Culture Report, more than half of employees say their leader won't give up control over anything. Only 26% of employees feel their leader encourages collaboration, and only 59% believe their leader values them. In fact, 1 in 5 employees say their leader **regularly expresses doubts** about them. It's clear. These leaders are not inspiring innovation nor creating a sense of belonging in their people.

Leadership needs to evolve to meet the needs of the modern workforce. Forward-thinking organizations have modern leaders who mentor and coach instead of manage, who inspire great work in their people, and who trust their people and get out of their way. Organizations with this type of leader will attract top talent, have engaged employees, and retain their best people.

Not all leaders are created equal

How do you spot a traditional leader vs. a modern leader? Here are some clues:

TRADITIONAL LEADER	MODERN LEADER
Prefers the terms boss, supervisor, manager	Prefers to be called a leader
Holds all the decision-making power	Shares decision-making power with their teams
Works to mitigate risk	Encourages informed risk and safe failure
Tells employees what to work on	Inspires and influences great work
Tells people when and where to work	Allows for flexibility
Micromanages their people	Give their teams autonomy
Relies on annual reviews	Uses multiple forms of feedback, including one-to-ones and daily conversations
Sees growth as pay raises and promotions	Advocates for their people's development through special projects and networking with other leaders
Gatekeeper of company information	Helps connect their people to purpose, accomplishment, and one another

Doesn't care to know their people as individuals	Gets to know their people as individuals and trusts them
Takes all the credit, places blame on others	Cheers their people on, shares credit, gives recognition
Is all about title, control, and power. They use their team to help themselves shine.	Encourages their people to dream bigger, reach higher, and do their very best work

Your organization's style of leadership dramatically influences workplace culture. Check out these stats:

MEASURE	TRADITIONAL LEADERSHIP	MODERN LEADERSHIP
Employee Experience	**-43%**	**+55%**
CULTURAL IMPACT		
Purpose	**-20%**	**+38%**
Opportunity	**-42%**	**+43%**
Success	**-27%**	**+35%**
Appreciation	**-38%**	**+42%**
Wellbeing	**-13%**	**+66%**
Leadership	**-36%**	**+56%**
Engagement	**-33%**	**+40%**
Great Work	**-58%**	**+86%**
Promoter	**-44%**	**+64%**
Burnout	**+10%**	**-57%**
Revenue	**-84% odds of growing revenue**	**+81% odds of growing revenue**
Layoffs	**+16% odds of layoffs**	**-67% odds of layoffs**

What can HR do to help?

You don't have to stand back and watch traditional leadership practices destroy your culture. Instead, help your leaders evolve into the kind of leaders that help employees thrive.

1. Encourage modern leadership. Teach leaders to mentor and inspire, rather than micromanage. Change the official term of your leaders from "supervisor" or "manager" to "leader". And help your leaders share leadership. Let them know that leaders don't always have to have all the answers and power. They can give ownership and autonomy to employees and trust them to make good decisions. When employees feel empowered to lead, there is a 78% increase in engagement and 255% increase in great work happening.

2. Hold leaders accountable for having meaningful one-to-ones with each of their people. An annual review is not enough. Use modern apps, like O.C. Tanner's Culture Cloud, to track when leaders meet with their people and give them resources to have the right conversations. Focus on opportunities for development, yes, but also build-in time to check in with employees on how they are doing, ask about their wellbeing, give advice/support on current projects, and give plenty of praise and recognition. When employees have ongoing, meaningful one-to-ones with their leaders there is a 430% increase in engagement and 432% improvement in their perception of leaders.

3. Ensure leaders connect their people to 3 things: purpose, accomplishment, and one another. Leaders must know their employees well and connect their specific work to your organization's purpose. They should also be good at giving recognition when people do great work and broadcasting that success publicly. Also, encourage leaders to connect their people to other peers and leaders in the company through mentorship and networking opportunities.

4. Finally, refocus leaders on the right things: work output rather than time put in, successes rather than failures, connection and influence rather than titles on an organizational chart. Focus on the everyday experience—the conversations, team dynamics, resources, work environment, and interactions that employees are having each day with leaders and your organization.

Traditional leadership may be dying, but that doesn't mean your leaders have to be ineffective. By helping your leaders shift their focus and attention to things that matter most (connection, coaching, autonomy), you can create a workplace culture where people are inspired and thrive.

For more insights on the current state of leadership, and best practices to create modern leaders, read our 2020 Global Culture Report.