

Success And Failure

Intro:

From the selection of team captains on school yards for team sports to following management's lead on a project. Management and leadership have been conflated and used interchangeably, but the difference between the two can result in the success or failure of a business. Plantronics a successful leader in headset technology sent Tom Gill a recently 16 year retired CIO at Plantronics. Mr. Gill Highlighted Technology Management from a CIO's perspective. Throughout his presentation Mr. Gill emphasized his role as "empowering" his subordinates. This theme of empowerment alluding to his hands off approach to his role and his position as the CIO lead to my interest in the his role as a manager and leader as a 16 year CIO at plantronics which is unheard of (avg CIO tenure is 4.3 years¹).

Thesis:

Management consists of controlling a group or set of entities to accomplish a goal. Leadership refers to an individual's ability to influence, motivate, and enable others to contribute towards a goal. The main difference between the two is influence and inspiration separate leaders from managers, not power and control. Simply put you would want to follow leaders while listen to managers. Although leadership is reserved for executives and management for their subordinates in a traditional top down

¹ <https://blogs.wsj.com/cio/2017/02/15/cio-stats-length-of-cio-tenure-varies-by-industry/>

hierarchy, a hybrid of leadership and management will make a company successful and is the wave of the future.

Management:

As a manager you're responsible for running and administration work. The role emphasises ensuring the infrastructure run smoothly having everything exactly where and when it needs to be and to be documented where necessary. Management ideally would rarely be seen, They don't micromanage yet their influence is felt throughout the company. They ultimately work behind the scenes to ensure that businesses operate smoothly. In addition, managers are responsible for top-down perspectives such as drops in income and kinks in the broader system. This inevitably means managers tend to be removed from day to day concerns the business faces.

While management is effective in day to day concerns and the insistence of smooth business operations, small details get lost or ignored resulting in managers making decisions that look good on paper, but don't work in practice because they fail to take into account the vital small details. The tendency to focus on procedure and routine also makes managers poor in human resource management. People are people, not machines, expecting them to adhere as plans dictated by the head of the hierarchy isn't likely to yield expected results.

Leadership

In a leadership role, you are dealing more from the frontlines, whereas managers are direct, leaders will inspire by example. To this end, leadership is very active and adaptable, capable of making decisions and setting the tone and direction when the situation demands. Leaders tend to be people oriented. Whereas managers are better

with numbers and schedules, leaders are the driving force. If, managers provide the goals, it's the managers who makes the company meet them. While managers can sometimes lose sight of employees in the pursuit of goals, leaders remain connected to the task and will bring any issues relating to performance or morale to management.

Leadership has its shortcomings too. Leaders miss how their business's function due to being involved in the company's vision, and while they may have excellent ideas, they won't be workable given the companies limitations. Leaders have clear objectives, but lack the capacity or methods on how they can be achieved or improved.

New Hybrid approach taken by High Tech Companies

Companies with high employee engagement reap valuable benefits: productivity, innovation, employee retention, and loyalty. One key way top companies drive employee engagement and differentiate themselves in the job market is through Learning & Development programs. Leading tech companies today understand this and are creating new learning initiatives. Sales force for example calls these programs "Employee Success".

Leadership development programs improves profitability. According to the Association for Talent Development; companies that offer comprehensive training program have 218% higher income per employee than companies without formalized training. These companies also have a 24% higher profit margin than those who spend less on training². The root of this is increased employee productivity through training. A study conducted by the National Center on Education Quality of the workforce found

² <http://businesstrainingexperts.com/knowledge-center/training-roi/profitting-from-learning/>

increasing workforce education was more effective at increasing productivity than increase in value of equipment³.

It's common knowledge that attracting and retaining talent is vital to the health of the business. It's thus apparent that for a company to thrive they must help employees do well or risk employee retention. Research shows 40% of employees who don't receive necessary training will leave within the first year⁴. In another national survey spanning over 400 employees, 70% of the respondents indicated that job-related training and development opportunities influenced their decision to stay at their job.

Having employees who are emotionally invested towards their work while not synonymous with happiness is correlated with productivity and profitability. In a Dale Carnegie survey, companies with engaged employees outperform those without but to 202%⁵. Training employees will motivate them to work hard. These opportunities are beneficial since these opportunities will help grow the company and further employee knowledge.

It isn't new that training is necessary to develop workplace skills the effectiveness of training sessions and their value are in question. With about \$359 billion spent on training globally⁶. Groans continue echo when employees are called in for a training session. A McKinsey & Company report found 25% of respondents felt that training programs had any improvement⁷. While the benefits of Learning and development

³ <http://workforce.sinclair.edu/wfd/assets/File/Oct%20White%20Paper.pdf>

⁴ <https://www.businessknowhow.com/manage/higherprod.htm>

⁵ <http://www.dalecarnegie.com/employee-engagement/engaged-employees-infographic/>

⁶ <https://trainingindustry.com/wiki/outsourcing/size-of-training-industry/>

⁷ <https://www.mckinsey.com/business-functions/organization/our-insights/getting-more-from-your-training-programs>

programs far outweigh zero training it can be a waste of critical capital if not done effectively.

Conclusion

Our traditional view of management is tasked-based and mechanical. For years we were taught that management has to do with forecasting, but neglected the human factor. We can use the carrot and stick method to get people to perform for a while, but it is not sustainable, if they don't care about the mission, their leader, or about one another. It's inevitable that performance will plateau and eventually slump. Think of the two as follows - management is the head of operations, but leadership is the heart. Successful businesses and employees must be both a leader and a manager. Today we know (Through Top Tech companies investing in Learning & Development programs) leadership blended with traditional management in the form of Learning & Development programs are the most effective way to lead a team, but also the most profitable way to run a company. Learning and Development programs will be the new wave to in High Tech companies.