High Performance Workplace and High Performance Leaders:February Leadership Pulse

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In the February Leadership Pulse we asked our respondents to define a high performance workplace. There are a number of definitions that exist, surveys that evaluate whether you "have it," and more, but we wanted to ask our leadership population to give their own personal definitions and learn from these executives.

High Performing Workplace

In February, 2004, a total of 911 senior executives completed the Leadership Pulse survey. We received 45 pages of comments on this one question alone. In order to analyze the data, we went through a couple of steps. First, we coded the comments into two large categories, based comments that seemed to focus on: (1) what a high performance workplace looks like, and (2) what it feels like. Although there was certainly some overlap between the comments that fell into these buckets, overall, we found 15 sets of comments for "look" and 6 sets of comments for "feel." After this first review, we then combined the responses into common bundles, and we found that several themes emerged from the data.

Below are the top three comment themes:

- 41% of the executives talked about seeing people having fun, smiling, laughing, being cheerful and happy, feeling energized, enthusiastic, being busy, and overall optimistic. A total of 24 people mentioned the word "buzz" when describing the atmosphere in a high performance workplace.

  Interpretation: When reading these comments, you get the sense that a high performance workplace is not about each individual being energetic or happy but about the overall effect of having them in the same building. Somehow, this effect is contagious; people affect each other in a positive way, thus, creating an overall "aura" or positive energy flow among all the workers.

- 23% mentioned aspects of leadership and strategy. Words such as "working together toward a common vision, accountable for actions, results driven, executives and leaders fully engaged and leading by example, no micromanaging, and common goals" were all mentioned. They also talked about this type of alignment leading to high performance outcomes, meeting customer needs, low turnover, and high quality.

Interpretation: You might think that this set of comments reflects things like order, but in reality, some of the respondents talked about leadership and strategy aspects related to order, organization, and a high level of process while a second set of executives talked about those same things in addition to "controlled chaos" for example. The need for shared vision and strategy may be common among all industries; however, it may "look and feel" differently in various industries and organizations.

- 17% of respondents talked how people engaged each other. They mentioned words like "working together productively, teamwork, cooperation, well organized, and using well defined process." They also mentioned things they were not seeing, such as "people wasting time, whispering, no chatting with others."

Interpretation: This set of comments seemed to be about the WAY people work together, not only the sense of teamwork but things falling into place, that people know what to do, what their role is in getting the work done, and that as a result, work flow and high efficiency result.

You may wonder how these three categories of ideas fit together. Below are some sample comments that attempt to describe the overall process of "being a high performing workplace."

- "High performance starts with common goals so that the first thing you see is organizational alignment. Once this occurs, a strong sense of commitment takes over and people begin to pull together and achieve these goals. These efforts continue to expand, fueled by team dynamics, recognition, and vision until performance levels are exceeding the base requirements of the job. This is when high performance occurs."

- "A high performance workplace looks efficient to me. It means that everyone on the team knows their roles and responsibilities, performs them to the best of their abilities and completes their responsibilities in a timely manner. Because we are human, mistakes will be made, but if we learn from them, we can only make ourselves better. "

- "When smart people challenge each other to succeed and don't feel threatened by each other. They believe that they can all win and that they have to work together to do it. When management knows which buttons to push on which people to get the most out of them. Energy towards shared goals. Great people empowered to do great things."

- "You can almost "feel" the energy, see the action with everyone fast-paced ... yet all are happy, working together as a TRUE team, with no underlying political agendas. Meetings may be difficult, yet everyone feels good with the results, and all know they've contributed. The infrastructure of processes and systems is such that it supports but doesn't hinder productivity; but they also reduce the

potential for mistakes."

- "The body language of the workers, the flow of energy (not hectic, but consistent and pulsing; think alternate current rather than direct current), a place where opinions and ideas are freely shared without fear of punishment or ridicule. The above is where innovative and adaptive companies live every day."

Overall, many respondents talked about the "feel" of the place being positive, energized, and optimistic. That is why the results from the other questions in the January Leadership Pulse are somewhat troubling to me.

Leaders' Energy Levels

The theme for the January Leadership Pulse was high performance and leader energy, and I asked the respondents to rate their own energy levels at work. Using a metric that I use with clients (and that has been validated with numerous studies), survey respondents rated their own energy levels at work using a 1 to 10 scale, where 1= no energy at all, 5=energized, 8=very high energy, and 10= too energized, burned out. In addition to asking these individuals to rate their energy levels, I also asked them to rate the level of energy where they are most productive. I ask this in order to obtain a "zone" for the leaders. The "productivity zone" is devised by calculating the mean for a group (e.g. all CEOs, all leaders in a particular industry, etc.), and then drawing boundaries up and down ½ standard deviation from that mean. Prior research using this metric shows that the "zones" are occupational dependent, and being "out of the zone" predicts individual and group consequences such as turnover, customer service scores, 360 performance ratings, team performance outcomes, and more.

The findings in January show that no matter how I cut the data, the executives (911 of them) are all reporting current energy levels that are below their own zones. Below is a sample report from the January Leadership Pulse (the by industry view is listed below):

Energy Summary - Pulse

ENERGY SUMMARY - PULSE

Group	Pulse (SD)[a]	Zone[d]	PLow[e]	PHigh[f]	Low Energy (0.0 - 3.74)	Medium Energy (3.75 - 6.25)	High Energy (6.26 - 10.0)
						Energy (%)	
All Industries	6.87 (1.93)	-0.88	7.75	8.82	7	26	67
Agriculture	8.13 (0.88)	-0.62	8.75	8.75			100
Biotechnology	6.76 (2.13)	-1.11	7.87	8.89	7	34	59
Communications	7.15 (1.58)	-0.61	7.76	8.74	4	24	73
Construction	6.89 (2.04)	-0.44	7.33	8.67	5	32	64
Consulting	6.60 (2.04)	-1.16	7.76	8.88	13	20	67
Engineering	7.11 (1.59)	-0.86	7.97	8.79		28	73
Finance, Insurance, and Real Estate	6.38 (1.93)	-1.52	7.90	8.49	10	30	60
Government	7.13 (1.94)	-1.02	8.15	8.97	4	21	75
Information Technology	7.07 (1.87)	-0.69	7.76	8.89	5	23	71
Manufacturing	6.88 (1.94)	-0.84	7.72	8.75	7	26	67
Mining	NA	NA	NA			NA	
Not-For-Profit Agency	6.68 (2.01)	-0.81	7.49	9.13	10	27	63
Retail Trade	5.72 (2.10)	-2.21	7.93	8.57	18	41	41
Services (other than consulting)	6.73 (2.03)	-0.94	7.67	8.78	9	28	63
Transportation and Public Utilities	6.55 (2.28)	-1.11	7.66	8.73	15	19	67
Web-based Technology	7.27 (1.84)	-0.72	7.99	8.97	4	23	73
Wholesale Trade	7.32 (1.63)	-0.28	7.60	8.61	3	21	76

[a] Average (Standard Deviation) | [b] Change from Previous Time Asked | [c] Change for Respondents Answering two periods in a row

[d] Points above or below Productivity Zone | [e] Lower Productivity Boundary | [f] Upper Productivity Boundary

[g] ⬆ = 0 to 2.5%; ⬆ = 2.6 to 5%; ⬆ = 5.1%+;

This summary report shows you (from left to right) the industry group, the Energy Pulse average score for each group, the standard deviation for that score, their Zone status (blue number indicates that this group is below its own productivity zone and the number represents by how much they are below their zone), and then PLow and PHigh indicate the boundaries of each group's own productivity zone. To the far right, you find a summary of the percentage of people who scored in each of three Energy Pulse zones (bundling scores into low, medium, and high categories).

Overall, the results show that in all industries leaders are reporting that they are below their own zones, with industries such as retail trade scoring 2.21 points below their own productivity zone and wholesale trade only .28 points below its zone.

Leader Energy and Employee Energy: The Necessary High Performance Zone

Now, combine this finding with one other research study that I am conducting. Within various firms, I have been studying the relation between leader and employee energy levels. The correlation at one point in time is very high, at a minimum .50, ranging to a high of .80 as you move "down" the organization hierarchy (at first-line supervisor level). The correlation is even higher when you analyze time 1 manager scores with time 2 employee scores. This means leader energy levels AFFECT their employee energy levels. Thus, if leaders are reporting being below their own zones, there is a risk that their sub-optimal energy levels will affect how the rest of the company population is performing.

If a high performing workplace really is characterized by high energy levels, then proactive work needs to be done to assure that leaders are in their own productivity zones. The challenge in being able to do this in most organizations is that our traditional leader diagnostics (and employee diagnostics for that matter) end up being too little and way too late.

Call to Action: Today

In addition to asking leaders to rate their energy levels, I also asked them to report what made them become more or less energized over the last year. Their responses were almost identical to what I see in employee surveys. They want the following:

- To be surrounded by optimistic, positive people
- They want some positive feedback themselves
- They need to reassess priorities and make sure even they are on track
- They need sleep!
- They need exercise, family, and friends, and
- They need some quiet time to get their own work done

I think a call to action to executive coaches, HR leaders, Learning Officers, and others who work with leadership teams is in order – but I'm asking for action today.

Action #1: Share the Energy Pulse data with your senior executives. Use the data to start a conversation about how your own management team is doing.

Action #2: Put executive "energy checks" on your calendar. Energy fluctuates, and it does so very frequently (in fact, I work directly with HR leaders and coaches to help them do Energy Pulse checks as frequently as weekly). An annual "check in" is certainly not enough.

Action #3: Find out what small things can be changed today to optimize leader energy levels. Do the small things right away; plan for the longer-term interventions.

Action #4: Help support High Energy Leaders who monitor the energy levels of the rest of the employee population and who "pass on" their high energy levels in ways that support a high performing workplace.

Action #5: Continue to monitor and change.

Learning From Each Other

The Leadership Pulse research project was started in June, 2003 as a way to spread leadership learning from today to people who can do something today. The ability to publish the results in HR.com presents an opportunity for all of us to learn and share the results of our own best practice. In the next Leadership Pulse survey, I am going to ask respondents to explain the findings of the February survey, and I will share those insights with HR.com readers.

I also request that any of you who have insights or take action on this

data also share your learning and ideas. First, you can post a comment on HR.com (see below); second, you can choose to participate in the Leadership Pulse survey (see below), or third feel free to write directly to me directly at twelbour@umich.edu.

About the Leadership Pulse Research and How to Participate:

The Leadership Pulse study is authored by Dr. Welbourne and jointly sponsored by Executive Education at the Michigan Business School and eePulse, Inc. (eePulse is donating the technology for the study).

Executives requesting more detailed analyses of these data or individual managers who wish to be included in the Leadership Pulse study can contact Dr. Welbourne at 734.996.2321. A website is available for individuals who wish to participate in the study or for those organizations that would like to have up to 50 senior leaders participate in the study. If a company participates with multiple executives, it will receive monthly benchmark data at no charge. If interested in individual participation or expanded participation for benchmark reports, please visit either www.eepulse.com (see Leadership Pulse) for more information or sign up at the following web site: www.umbs.leadership.eepulse.com.

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As an Adjunct Professor with Executive Education at the Michigan Business School, she works with the team of world-class educators and researchers renowned for their skill in creating and integrating knowledge with practical application. Their academic backgrounds are coupled with their direct involvement with leading companies worldwide. In fact, *Business Week's* 2003 Executive Education survey has named Michigan among the top three providers of executive education in the world — a distinction they've been honored to receive throughout the fifteen year history of the ranking. For additional information, please contact Executive Education at the Michigan Business School at um.exec.ed@umich.edu, 734.763.1000.

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