

Build Great, Engaging Managers



THE ULTIMATE GUIDE



UNIFIED TALENT MANAGEMENT

Cornerstone
ON DEMAND Empowering People

HOW TO CREATE ALL-STAR MANAGERS THAT EMPLOYEES LOVE

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1

EMPLOYEES QUIT MANAGERS, NOT JOBS

An estimated 75% of voluntary employee turnover is influenced by managers' behavior.¹

Translation? Employees aren't quitting their jobs—they're quitting their bosses.² That's bad news for organizations planning for innovation, succession, and market longevity. Human capital is an organization's most valuable resource—and turnover is expensive not just in terms of sourcing, rehiring, and training costs, but also lost productivity.

Yet being a good, let alone a *great*, boss is tough.

Managers may have skills, training, education, and experience to create an engaged, motivated workforce. According to Gallup, today's great managers—those who drive higher levels of engagement and productivity in employees—are “strengths-based, engagement-focused, and performance-oriented.”³

However, amid the frenzied discussions of the importance of employee engagement, managers aren't always given the specifics on *how* to drive that engagement. Organizations concerned about engagement (and every organization should be) must start providing managers with better techniques and tools, the type that allows them to more effectively—and effortlessly—nurture commitment, motivation, and productivity from *every* employee.



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“strengths-based,
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WHAT ARE THE TOP THREE KEYS TO CREATING GREAT MANAGERS AND IMPROVING EMPLOYEE ENGAGEMENT?



Providing ways to deliver ongoing, meaningful employee feedback.



Allowing visibility into employees' skills, strengths, and areas for opportunity for better succession planning.



Creating collaborative recruiting practices to enable the strategic growth of teams and the organization.



2

GIVING MANAGERS TECHNIQUES AND TOOLS TO PROVIDE MEANINGFUL EMPLOYEE FEEDBACK

Employee feedback

It's a trendy topic: if 123 million hits in Google weren't proof enough, every source from *Forbes* to the *Harvard Business Review* touts the benefits of providing regular feedback to improve productivity, engagement, and profits. Regular feedback matters: organizations in the top quartile of shareholder returns were more likely than bottom-quartile organizations to have managers who delivered regular performance feedback to employees (50% versus 29%).⁴





In a Hay Employee Attitudes Survey, about half of employees surveyed were ‘satisfied with the feedback’ they received from managers. For hourly workers, it was less than half.⁵



But organizations - and managers - already deliver regular feedback, don't they?

After all, providing employee reviews are a critical non-negotiable aspect of any managerial role. A candidate is hired, their progress is evaluated at six months or a year, the manager and the employee set mutual goals, and everybody goes about their business. *Until next year.*

Yet research shows that traditional, annual feedback may not be working - and perhaps even backfiring. In a Hay Employee Attitudes Survey, only about half of employees surveyed were “satisfied with the feedback” they received from managers. For hourly workers, it was less than half.⁵ Per Globoforce, only 49% of employees find reviews to be accurate; a dismal 47% find them to be motivating.⁶



3

HOW CAN ORGANIZATIONS HELP MANAGERS DELIVER FEEDBACK THAT ENGAGES AND DRIVES PRODUCTIVITY?

1. Make it actionable

Research shows 65% of employees surveyed thought feedback from managers wasn't specific enough.⁷ Feedback is more meaningful when employees know exactly what worked—and what didn't—in their performance *and* how to address it. Meaningful feedback includes a prescription for learning to improve performance, develop skills, and address both employee and organizational goals.

2. Make it about strengths, not weaknesses

Employees who receive strengths-based feedback—what an employee is doing right and how they can continue to develop and use those strengths—have a 14.9% lower turnover rate, compared to those who received no feedback.⁸ In addition, employees who received strengths-based feedback were 12.5% more productive.⁹



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71% of employees prefer to get feedback as soon as possible; only 17% preferred quarterly or annual feedback.¹²



3. Make it frequent

Forty-three percent of highly engaged employees receive feedback at least once a week, compared to only 18% of employees with low engagement.¹⁰ Yet in one study, only 41% of senior managers “communicate personally about plans and aims with employees on a regular basis.”¹¹ Seventy-one percent of employees prefer to get feedback as soon as possible; only 17% preferred quarterly or annual feedback.¹² Frequent feedback provides the opportunity for managers to more easily stay on target for their own goals and make smaller corrections over time, rather than pulling out all the stops once a year to get back on track.

4. Make it easy

With the right tools, delivering frequent feedback doesn't have to be time consuming. Eliminating the barriers to performing more frequent evaluations—e.g., offering managers a simple cloud-based performance management tool—can make it easier for employees and managers alike to check in more frequently.



ALLOWING VISIBILITY INTO EMPLOYEES' SKILLS, STRENGTHS, AND OPPORTUNITIES FOR BETTER SUCCESSION PLANNING

Succession planning is about more than promoting employees into executive positions. It's also key to helping managers ensure bench strength in their own departments. *Without* a comprehensive, working succession plan, managers not only run the risk of losing high potential, high performing employees, but they may also be forced into reactive hiring—a practice that in the long-term can be harmful to the organization's overall success and longevity.

Managers may assume that, in lieu of succession planning, they can simply hire external candidates at time of need. Yet in a study conducted by Matthew Bidwell, assistant professor at the University of Pennsylvania's Wharton School, external hires are 21% more likely than internal hires to leave a job "on their accord." His research also found that external hires are 61% more likely to be laid off or fired.¹³



This process of identifying and developing candidates, however, is contingent upon managers having access to the big picture, unified view of their entire team.





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Bidwell's research intimates that succession planning—identifying, developing, and promoting internal candidates—can be more cost effective and beneficial to the organization than a sole reliance on outside candidates. However, this process is contingent upon *managers having access to the big picture, unified view of their entire team*. This ensures all talent management functions - recruiting, onboarding, learning, and performance—guide a manager's recommendations for succession.

When a manager can view, for example, performance scores and competencies in a singular location, or use the same system to assign and track completion of learning related to performance, they can more easily see which employees may be suited for future roles. They can then make data-driven decisions about how to best nurture succession candidates. As a welcome adjunct, training employees for future positions *also improves engagement*, which is crucial to keeping high performers and motivating mediocre ones.



HOW CAN ORGANIZATIONS HELP MANAGERS PLAY A BIGGER ROLE IN EFFECTIVE SUCCESSION PLANNING?

1. Give managers true visibility into employee skills, talents, and potential, individually and as a team.

It's impossible to get the big picture view of talent when talent management processes are siloed, trapped in multiple systems, spreadsheets, and file cabinets. Even “integrated” systems—ERPs and HRISs, which were never designed to be all-in-one employee engagement systems—can't truly unify all employee data.

Succession planning is an integral component in the entire employee lifecycle, highly dependent on and interrelated with learning, performance, and compensation. Ensuring managers can do effective succession planning depends on their ability to view ongoing performance to identify potential candidates and simultaneously assign learning to build internal candidates for future roles.



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2. Begin succession planning with recruiting.

Smart managers begin succession planning not with performance but at the true genesis of the employee lifecycle: recruiting. This allows succession goals to inform recruiting and onboarding activities, a practical application of “begin with the end in mind.” Being able to attract a larger, more skilled talent pool through social tools and employee referrals, targeting candidates with specific sites, and streamlining the application process help managers find and hire candidates that are appropriate for succession later.



MAKING RECRUITING COLLABORATIVE

Managers play a key role in recruiting, which in turn shapes an organization's workforce—for better or worse. Yet, poor recruiting skills aren't necessarily a sign of a poor manager. Recruiting is a very specific skill—those who recruit well may not have good management skills and vice versa.

Organizations can help managers make better hiring decisions by maturing the recruiting process from one of individual feedback to one of collaboration. Organizations may ask, "Aren't we already doing that?" *Not necessarily*: truly collaborative recruiting entails more than simply sending the candidate through the pipeline of job site, HR, executive manager.

Collaborative recruiting focuses on teamwork to identify the candidate who is not only a skill match, but a cultural and environmental fit. It relies heavily on social networking tools to gain 360 feedback on a candidate, create referral engines, convey employer brands, and empower managers to hire better candidates through more comprehensive feedback and an increased talent pool.



It's a numbers game: organizations that want to reach more candidates – thus ensuring a better chance at finding top talent – must start using collaborative, social hiring tools.





Collaborative hiring, through its reliance on social networking tools, has the added benefit of increasing an organization’s talent pool. Millennials are well known for their predilection for social technologies - and other generations are not far behind. According to the Aberdeen Group, almost three-fourths of Millennials found their latest job through a social network.¹⁴ It’s a numbers game: organizations that want to reach *more* candidates—thus ensuring a better chance at finding top talent—must start using collaborative, social hiring tools.



HOW CAN ORGANIZATIONS ENABLE MANAGERS TO USE TRULY COLLABORATIVE RECRUITING?

1. Use an employee referral system.

An organization's own employees are often the best source of candidates who fit the existing workplace culture. Organizations increase their talent pool exponentially and engage employees by allowing them to share their social network. Some thought leaders suggest encouraging retirees, employee spouses, and customers to participate in referrals, as well.

2. Solicit candidate feedback from multiple sources.

Getting multiple sources of feedback specific to each candidate is crucial to identifying the *right* candidate. However, aggregating this feedback is just as important. The ability to review all feedback in one location—without sorting through emails, or worse, paper review forms—can simplify getting the 360 picture of a candidate's capabilities, attitude, cultural fit, and potential.



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THE MOST EFFECTIVE WAY TO CREATE GREAT MANAGERS

Enabling great management takes more than training, experience, and trust. The capability to provide ongoing and meaningful feedback, plan for succession based on true talent visibility, and make better hiring decisions can help organizations turn a good or even mediocre manager into a *great* one.

Yet, for many managers, these tasks are made extraordinarily difficult—and ineffective—by a continued reliance on old-school methods of talent management. Managers are crippled by time-consuming spreadsheets or paper-based review processes, which negate the ability to provide and aggregate ongoing feedback or unify performance data with learning, compensation, and succession. Worse, poor talent management tools can decrease manager engagement levels. Engagement is critical for all employees, and managers are better equipped to focus on their own and the organization's goals when they have tools in place to help them engage, develop, grow, and promote their teams.

Even “integrated” talent management systems may not provide the complete picture of a manager’s team. These “Franken-systems” store data in different locations, making it impossible to truly unify the employee lifecycle. Managers can’t see if poor performers have made an effort to take improvement training steps or easily develop a pay-for-performance system, one that allows managers to adequately—and transparently—compensate the right employees.



Engagement is critical for all employees, and managers are better equipped to focus on their own and the organization's goals when they have tools in place to help them engage, develop, grow, and promote their teams.





Enabling managers to perform the talent management activities that directly influence employee engagement and productivity requires the true unification of the talent management process.



Enabling managers to perform the talent management activities that directly influence employee engagement and productivity requires the true unification of the talent management process. Unified talent management (UTM) delivers a seamless talent management experience, connecting every phase of the employee lifecycle on a single platform, with one login, and access to one customer support team.

UTM empowers managers to truly manage their employees, from ensuring new hires network with teammates to providing training in tandem with performance results. Managers can transform their review processes from the dreaded annual checklist to frequent, meaningful interactions; better identify key candidates for succession; and make smarter hiring decisions from the outset with social and collaborative tools.





Powerful talent management requires powerful talent management tools.



Used by more than 1800 companies worldwide, Cornerstone OnDemand is the only truly unified system designed to enable comprehensive talent management, from one platform, with one login.

As a result, organizations can place more focus on engaging every employee while spending less time managing multiple systems. Cornerstone helps organizations improve productivity and profitability by delivering key insight into the entire employee lifecycle:



CORNERSTONE
RECRUITING



CORNERSTONE
ONBOARDING



CORNERSTONE
CONNECT



CORNERSTONE
LEARNING



CORNERSTONE
PERFORMANCE



CORNERSTONE
COMPENSATION



CORNERSTONE
SUCCESSION





See how Employees, Managers, and Executives benefit from using a Unified Talent Management approach.



The Employee

"I FOUND OUT ABOUT THE JOB THROUGH A FRIEND AT THE COMPANY. I APPLIED USING MY LINKEDIN PROFILE. NO COMPLICATED APPLICATION PROCESS AND IT ONLY TOOK MINUTES!"



The Manager

"I NEEDED A DESIGNER. WITH CORNERSTONE RECRUITING'S SOCIAL SOURCING AND EMPLOYEE REFERRALS, I FOUND GREAT CANDIDATES AND MANAGED INTERVIEWS, FEEDBACK, AND OFFER LETTERS IN ONE LOCATION."



The Executive

"WE'RE DOING REAL SUCCESSION PLANNING. WITH CORNERSTONE SUCCESSION, WE'RE PREPARING FOR GAPS NOT JUST IN EXECUTIVE POSITIONS BUT AT EVERY LEVEL THROUGHOUT THE ORGANIZATION."

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