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Foreword

The role of the manager in organizational success is more critical than ever. The 2024 Gallup *State of the Global Workplace Report* states that employees who work in companies with bad management practices are nearly 60% more likely to experience stress than people working in environments with good management practices. The report also says that managers experience higher levels of negative emotions than non-managers, are more likely to be looking to leave their current job and are often in need of greater support and timely intervention.

Building upon our 30-year legacy, we recognize the pressing need for greater manager and leader support and the impact of poor management skills on organizational performance. This year we have reinvigorated the Mind Tools vision, core value proposition and brand ambition by leaning into our strength in building continuous and dynamic learning solutions. We will join forces with organizations globally to cultivate resilient managers who can lead with skills, insight and empathy. Our mission and purpose now focus entirely on using our deep L&D expertise and market-leading digital resources to help organizations with manager and leadership skills development, improving workplace performance, career development and employee engagement.

To enable this process, we partnered with YouGov to survey 2,001 managers across 12 industries to identify the critical foundational skills and capabilities needed to be a “good manager” in a modern business context. The survey results stress the importance of managers in organizational success, and the need for, and impact of, training on manager capability and retention. The report highlights that while organizations are allocating 12% of their L&D budget to management training in 2024, they struggle to measure the true value of their investment.

This research is intended not only to highlight the responsibility organizations have for manager development, but also to help organizations identify what managers should be focusing on. This helps them to improve manager support, job satisfaction and ultimately the return on their investment. It also shapes our own product and proposition development. We plan to build upon this knowledge by taking an evidence-informed approach to developing and providing an enhanced ecosystem of content, resources, technology, services, insights, and thought leadership. This will cover the breadth of skills development required in the management and leadership space.

We will be keeping managers at the heart of who we are and what we do, and serving critical organizational needs in the areas of continuous and guided learning, manager skills assessment, personalized manager development strategies, and analytics. We look forward to partnering with you, and invite you to contribute your views to help inform this process.



Shabnam Shahani
CEO
Mind Tools

2 | Introduction



For as long as organizations have had managers and leaders, the distinction between them has been well carved. Managers prioritize goals and optimize efficiency. Leaders establish a vision and inspire workforces. Managers care about processes. Leaders care about people. Managers control. Leaders influence. And, as traditional as these differences sound, stereotypes like them continue to define the expectations of managers and leaders in the workplace.

But the world's moved on. Today's workforces are more dispersed than they have been in the past,¹ organizations are more concerned about diversity,² and employers need workers to shift their skills in line with new and emerging technologies.³ Modern businesses require people-centric cultures nurtured by managers and leaders who are effective at bringing people

together, building inclusive working environments and championing learning. It's never made much sense that managers, who work more closely with people, should be expected to prioritize them less than leaders.

This report focuses on what it means to be a good manager in 2024. Based on a review of scientific studies and industry reports, we have identified 12 capabilities essential for modern managers. It is noteworthy that these capabilities aren't new or groundbreaking. Instead, they comprise the foundational skills managers need to fulfill their responsibilities in the role. In the report, we will explore these capabilities in the context of organizational support and business success. Below, we have summarized some of our key findings.

WE FOUND:



Our research

In partnership with YouGov, we surveyed 2,001 managers across 12 industries in the U.K. Data was collected in March 2024 (for more details see "Methodology"). This report defines managers as **mid-level with responsibility for one or more people**, either within a single team or across multiple teams.

- 1 Half of managers we surveyed received **no support** from their organization (regarding resources, formal courses or training) when transitioning into the role. Only 58% of those who did said that they were **satisfied** with the support they received.
- 2 "Having difficult conversations" was identified as a **top challenge** for managers in 2024. When solving challenges like this, **managers rely on their managers** more than anything else.
- 3 64% of managers would **look for another job** if their organization failed to provide them with opportunities to learn.

¹ In the U.S., the number of people working remotely all the time has increased from 7% before the pandemic to 35% in 2023. Pew Research Center (2023) *About a third of U.S. workers who can work from home now do so all the time*. Available at: <https://www.pewresearch.org/short-reads/2023/03/30/about-a-third-of-us-workers-who-can-work-from-home-do-so-all-the-time/> (Accessed 19 May 2024) ² Even though economic uncertainty has negatively affected recruitment in recent years, ED&I hiring continues to grow as a priority for employers. LinkedIn Talent Solutions (2023) *The Future of Recruiting*. Available at: <https://business.linkedin.com/content/dam/me/business/en-us/talent-solutions/resources/pdfs/future-of-recruiting-2023.pdf> (Accessed 20 May 2024) ³ Between 2016 and 2022, 16% of the skills employers asked for shifted rapidly in response to technological advances. Institute for the Future of Work (2024) *Old Skills, New Skills – what is changing in the UK labour market?* Available at: <https://www.ifow.org/publications/old-skills-new-skills--what-is-changing-in-the-uk-labour-market> (Accessed 20 May 2024)

3 | The Good Manager



What makes a good manager?

In a recent survey, 86% of middle managers who have had line-management responsibility told us that they “know what skills they need to be a good manager.” However, when we interviewed managers at the end of 2023, most had a hard time explaining what good management looked like, and many conversations ended with the startling realization – on both sides – that managers don’t know what they’re striving for.

Perhaps the broad expectations organizations have for managers are to blame for the lack of clarity – there’s so much to do that managers don’t know which skills will serve them best. Or perhaps organizations aren’t being transparent about what managers should be prioritizing.

Managers are expected to lead others while showing vulnerability to those they answer to. They’re expected to deliver objectives while encouraging people to experiment with new ideas. They must address underperformance in their teams but develop trusting relationships with its members. Managers have to support decisions they didn’t make, translate organizational goals into actions, identify meaningful opportunities for people to develop, remember to acknowledge successes, regulate their emotions, and resolve team conflicts. They are coaches, learning champions, coordinators, motivators, disseminators, and decision makers.

A “good manager”, or even a great one, is also complicated by context. Organizations that care about digital transformation, for example, require managers who are effective at communicating openly, establishing commitment, fostering innovation, and optimizing talent.^{4,5} In the hospitality industry, managers are expected to be approachable, fair and enthusiastic, to set clear goals and to lead by example.⁶ In higher education, they should be able to lead change, manage operations, solve problems creatively, present information well, and negotiate.⁷

When we asked what would help them become better managers, they told us they wanted to “know what their organization thinks they should be focusing on” (see [Figure 1](#)). It’s a fair ask.

“

It’s very difficult to know what to aspire to be like if you haven’t agreed what good looks like. Good looks different all the time and it looks different depending on what business you’re in.”

—
Anonymous manager

Figure 1.
Top three requests from managers in 2024

- 1** I want to **discover my strengths and weaknesses** to identify areas of improvement
- 2** I want to **know what my organization thinks** I should be focusing on
- 3** I want to **acquire and enhance** essential management skills

Note. The number of managers reporting that each of the above requests would help them become a better manager was 41%, 40% and 39%, respectively.

⁴ Metzler, D. (2022) ‘How top managers utilize dynamic capabilities to digitally transform their business: Evidence from European firms Research-in-progress’, *CONF-IRM 2022 Proceedings*, 14. <https://aisel.aisnet.org/confirm2022/14/> ⁵ Heubeck, T. (2023) ‘Managerial capabilities as facilitators of digital transformation? Dynamic managerial capabilities as antecedents to digital business model transformation and firm performance’, *Digital Business*, 3(1), pp. 1-19. <https://doi.org/10.1016/j.digbus.2023.100053> ⁶ Mistry, T. G., Hight, S. K., Okumus, F. and Terrah, A. (2021) ‘Managers from heaven: how do hospitality employees describe good managers?’, *International Hospitality Review*, 36(1), pp. 2-24. <https://doi.org/10.1108/IHR-09-2020-0055> ⁷ Pham, T. V., Nghiem, T. T., Nguyen, L. M. T., Mai, T. X. and Tran, T. (2019) ‘Exploring Key Competencies of Mid-Level Academic Managers in Higher Education in Vietnam’, *Sustainability*, 11, 6818. <https://doi.org/10.3390/su11236818>

A framework for measuring manager capabilities

At its core, management is about achieving goals through others. Managers must have technical competence, and our research suggests that up to 80% of managers are promoted because of it, but people skills are equally essential.

It is unhelpful to delegate a project to someone lacking commitment to its cause. It is challenging to solve problems with people who aren't getting along. And it can be difficult to make balanced decisions when you're distracted by bad news.

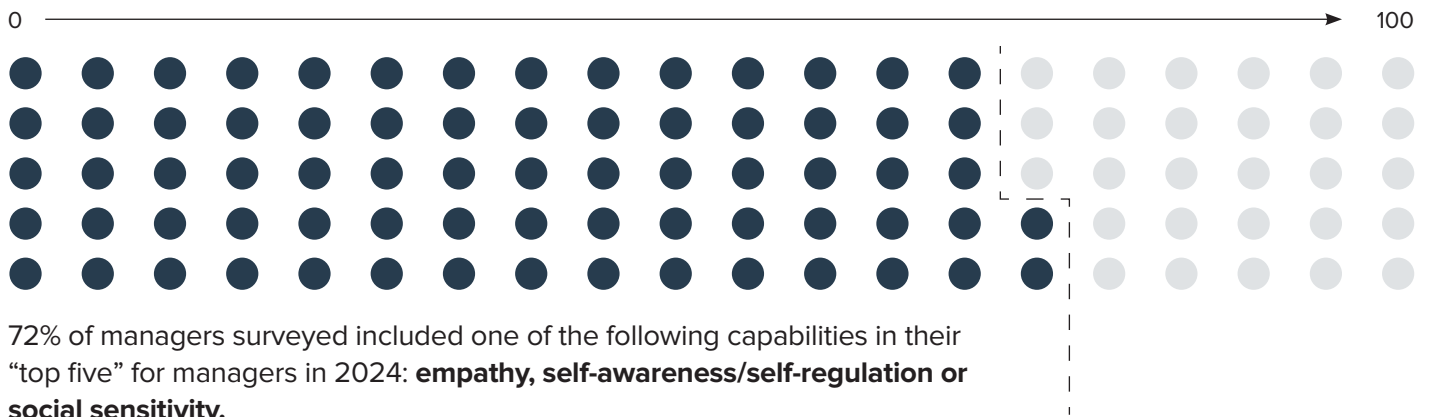
Managers with higher **emotional intelligence**⁸ have a greater impact on business outcomes (such as innovation and performance)⁹ and people outcomes (including motivation, retention, development, and organizational commitment)¹⁰ than managers with lower emotional intelligence.

Although skills associated with emotional intelligence can feel like they come more naturally to some managers than others, they can be developed and improved.¹¹ And it's noteworthy that managers care about these skills.

Seven in ten managers agreed that **empathy, self-awareness/self-regulation** or **social sensitivity** should sit among the top five most important capabilities for managers in 2024 (see **Figure 2**).

Figure 2.

Managers value emotional intelligence skills



80%

“I became a manager because I was good at my job, not because I wanted to manage people.”

Manager capabilities are intrinsically linked, yet we can group them in meaningful ways. Consider responsibilities, for example. Managers are responsible for:

- 1. Setting expectations.** Managers need the skills to establish goals with realistic milestones, to communicate clearly and to delegate effectively.
- 2. Motivating people.** Managers need to build trusting relationships, create inclusive working environments, acknowledge and address team challenges, and recognize individual successes.
- 3. Developing people.** Managers must know how to listen on purpose, identify appropriate learning opportunities and coach individuals to enhance their skills, knowledge and performance.

Through these capabilities and, importantly, because of the ways they interact with emotional intelligence, managers make better decisions, teams are psychologically safer, employees are happier, and organizations achieve more (see **Figure 3**).

⁸ We define emotional intelligence as one's ability to recognize and understand other people's emotions and to recognize and manage their own. The four elements of emotional intelligence that we measure as part of our research include empathy, self-awareness, self-regulation, and social sensitivity. ⁹ Altındağ, E. and Kösedâğı, Y. (2015) 'The relationship between emotional intelligence of managers, innovative corporate culture and employee performance', *Procedia – Social and Behavioral Sciences*, 210(2), pp. 270-282. <https://doi.org/10.1016/j.sbspro.2015.11.367> ¹⁰ Lam, F., Yifei, L., Raza, M. and Khan, K. (2020) 'The impact of leader's emotional intelligence on employee organizational behavior: Mediating role of employee motivation', *European Academic Research*, 7(10), pp. 5127-5154. ¹¹ Gilar-Corbi, R., Pozo-Rico, T., Sánchez, B. and Castejón, J-L. (2019) 'Can emotional intelligence be improved? A randomized experimental study of a business-oriented EI training program for senior managers', *PLoS ONE*, 14(10), pp. 1-21. <https://doi.org/10.1371/journal.pone.0224254>

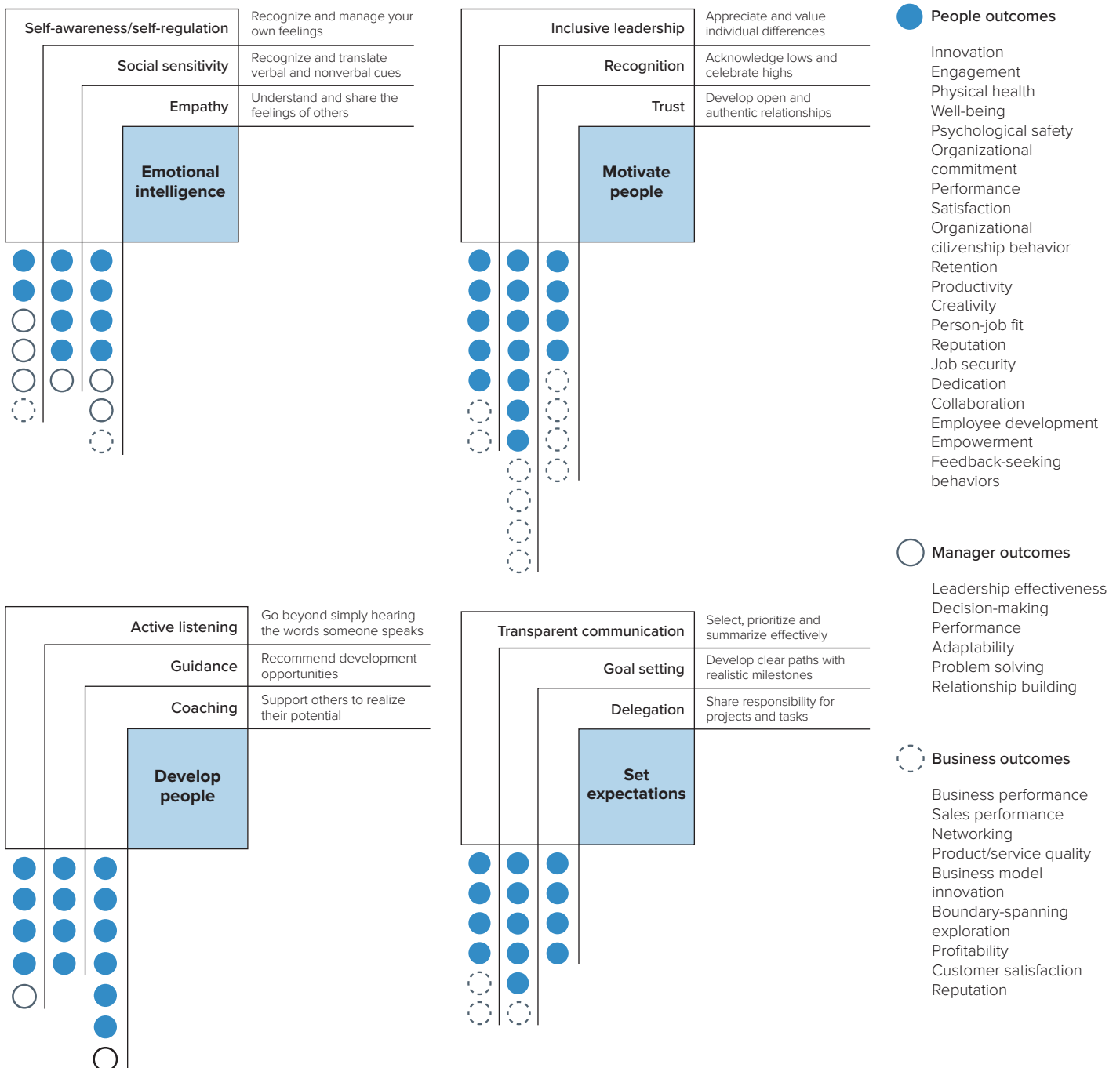
Figure 3.

12 capabilities essential for modern managers

In a review of scientific studies, we identified 12 manager capabilities that have a significant impact on people outcomes (e.g., innovation and engagement), manager outcomes (e.g., decision making and performance) and business outcomes (e.g., profitability and customer satisfaction).

Whilst manager capabilities are intrinsically linked, we discovered that they can be grouped in meaningful

ways. Our framework for measuring manager capabilities includes four groups, each containing three capabilities. The first is **emotional intelligence**, which we define as one’s ability to recognize and understand other people’s emotions and to recognize and manage one’s own. The remaining capabilities are grouped in relation to the responsibilities managers have to **motivate, develop** and **set expectations** for other people.



Note. For an overview of our key findings, see Table 2 in the Appendix.

4 | Support and satisfaction as predictors of manager capability



It's reasonable to hope that management and leadership training works. In 2023, the global spend for workplace training was US\$383.14 billion, which is forecasted to increase to US\$400.94 billion in 2024.¹² On average, organizations allocate 12% of their L&D budget to management training – the second largest portion after compliance training (13%)¹³ – but then struggle to measure the value of their investments.

In this chapter, we will identify how significantly management training predicts success. Because of the many positive relationships between manager capabilities and business outcomes, we have chosen to define success as capability and will show how the most capable managers are, in fact, the most supported by their businesses. They're also the most satisfied with the training opportunities they've had to develop.



¹² Statista (2024) *Market size of the global workplace training industry from 2007 to 2023, with a forecast for 2024*. Available at: <https://www.statista.com/statistics/738399/size-of-the-global-workplace-training-market/> (Accessed 22 May 2024) ¹³ Training Magazine (2023) *2023 Training Industry Report*. Available at: <https://trainingmag.com/2023-training-industry-report/> (Accessed 22 May 2024) ¹⁴ West Monroe (2018) *Companies are overlooking a primary area for growth and efficiency: Their managers*. Available at: <https://www.westmonroe.com/perspectives/report/companies-are-overlooking-a-primary-area-for-growth-and-efficiency-their-managers> (Accessed 8 May 2024)

Supported managers are better managers

In our research, 50% of managers received no support from their organization when they transitioned into the role. Disappointingly, this figure hasn't changed much in recent years, with a similar proportion of managers reporting the same in 2018.¹⁴

L&D professionals who recognize the importance of management training face the challenge of demonstrating its value to the business and justifying the investment. It shouldn't be surprising to senior leaders, but supported managers are better managers.

Managers who received access to learning resources, formal courses and training opportunities at the start of their management career were significantly better at coaching, goal setting, identifying opportunities for their people to develop, active listening, and establishing trust (see **Figure 4**).

These capabilities, along with the improvements observed from early-career support, highlight the current priorities of management training. It's no coincidence that the top three capabilities in Figure 4 are closely connected: effective coaches must be able to set goals and identify development opportunities for their team.

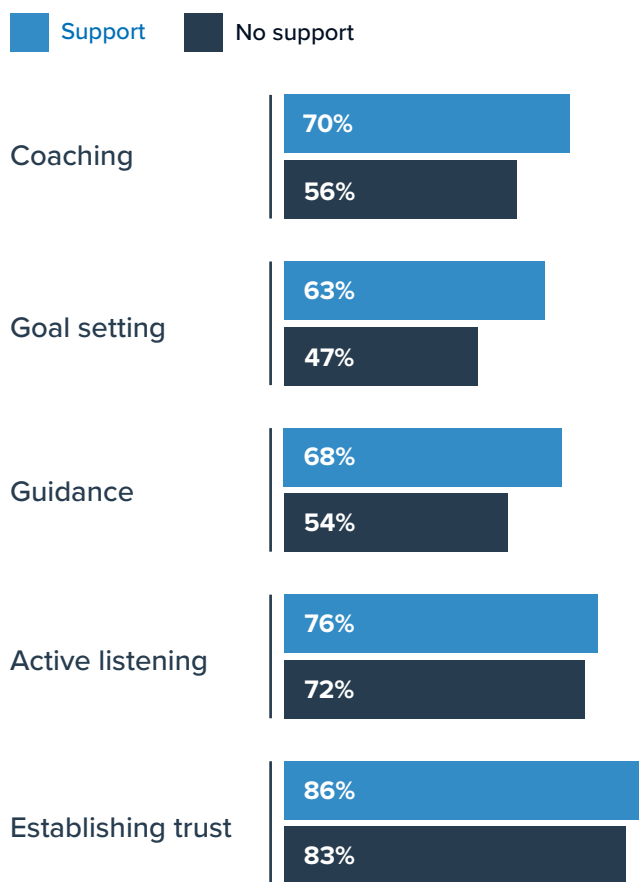
In the following three sections of this report, we'll look at the impact these manager capabilities have on businesses and their people.

50%

“When I became a manager, my organization did not support me with the transition (e.g., with resources, formal courses or training).”

Figure 4.
Manager capabilities most affected by early-career support

Managers who were supported by their organization (in terms of resources, formal courses or training) when they transitioned into the role, were significantly better at coaching, goal setting, providing guidance, active listening, and establishing trust.



Note: Percentages refer to the number of managers ($n = 1,861$) who reported that they “often” or “always” exhibited behaviors relevant to the above five capabilities in the last six months. Although the differences for active listening and establishing trust appear small, all differences reported in this figure were statistically significant.

Supported managers are better coaches

In today's businesses, it's widely accepted that coaching is an essential part of a manager's craft. Yet, only 30–40% of managers have received training in how to do it.¹⁵

Organizations achieving the most in terms of productivity and performance, for example, are the ones doing the most in terms of coaching. For these top-performing businesses, coaching exists even as a peer practice, with 90% of employees knowing how to work together to connect and share knowledge productively.¹⁶

These organizations achieve this by designing spaces that facilitate collaborative learning and encouraging employees to solve problems together and build knowledge resources. Their managers are also six times more likely to make time for social and informal learning than managers in lower-performing businesses (see **Figure 5**).¹⁷

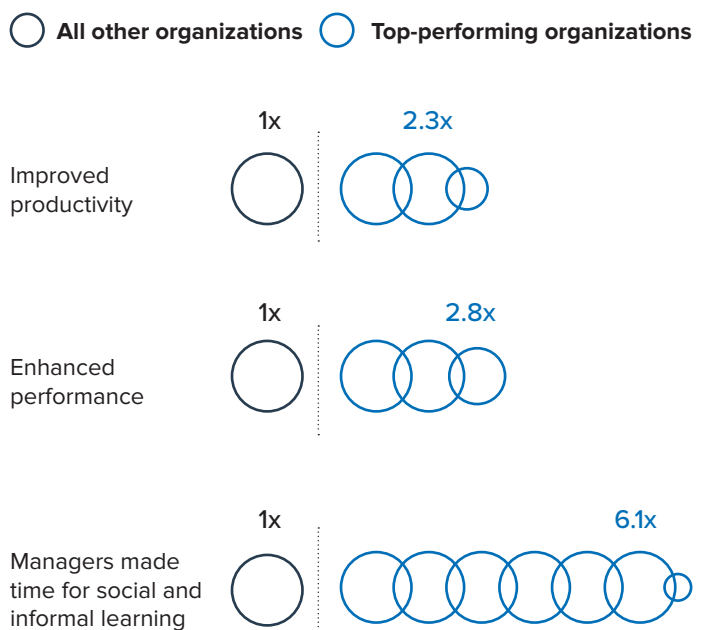
Coaching is most effective when it's embedded within an organization's culture rather than managed as a series of events. We know this because the positive relationship between managerial coaching skills and employee engagement, for example, is strongly mediated by culture.¹⁸

This means that when managers adopt a coaching mindset, learning cultures flourish, and when that happens, employees are more engaged at work. As a capability, coaching responded the most significantly to early-career management support. Which didn't surprise us when we discovered that organizations with the strongest learning cultures also have the healthiest management pipelines.¹⁹

One of the foundational skills contributing to coaching effectiveness is open communication, which serves as a basis for developing stronger interpersonal relationships between coaches and coachees.²⁰ These relationships thrive when managers also grasp the

art of active listening and develop partnerships with employees that center around trust. Notably, these capabilities improve when managers receive support at the beginning of their management career.

Figure 5.
Top-performing organizations were two and a half times more likely to have improved productivity and performance in 2023



“Organizations with the strongest learning cultures also have the healthiest management pipelines.”

¹⁵ Milner, J., McCarthy, G. and Milner, T. (2018) 'Training for the coaching leader: How organizations can support managers', *Journal of Management Development*, 37(2), pp. 188-200. ¹⁶ Mind Tools for Business (2023) *Annual L&D Benchmark Report: Part One*. Available at <https://mindtoolsbusiness.com/research-and-reports/l-d-in-organizations-20-years-of-research> (Accessed 10 July 2023) ¹⁷ Ibid. ¹⁸ Ladyshewsky, R. and Taplin, R. (2018) 'The Interplay Between Organisational Learning Culture, The Manager as Coach, Self-Efficacy and Workload on Employee Work Engagement', *International Journal of Evidence Based Coaching and Mentoring*, 16(2), pp. 3-19. DOI: [10.24384/000483](https://doi.org/10.24384/000483) ¹⁹ LinkedIn Learning (2024) *Workplace Learning Report*. Available at: <https://learning.linkedin.com/resources/workplace-learning-report> (Accessed 16 May 2024) ²⁰ Park, S., McLean, G. N. and Yang, B. (2021) 'Impact of managerial coaching skills on employee commitment: the role of personal learning', *European Journal of Training and Development*, 45 (8/9), pp. 814-831. <https://doi.org/10.1108/EJTD-07-2020-0122>

Supported managers are better goal setters

For a long time, researchers agreed that managers should set goals that are clear, specific, difficult, and group-centric to maximize their impact on team performance.²¹ Today, it's understood that transformational managers and leaders, who inspire others to achieve great things, are more likely to set goals that are challenging but attainable.²² As a result, employees report feeling happier at work and are more proactive and committed to the business.²³

In our research, managers rated goal setting as one of the least important capabilities. They are wrong not to prioritize it – employees with career goals are four times more likely to engage with learning than those without.²⁴ However, despite its significance, goal setting was also the capability that managers agreed they lacked the most. Only 37% of managers believe that they're good at setting goals for their tea (see **Figure 6**).

Measuring goal setting as a behavior, rather than as a perception of how good managers think they are at it, produced more optimistic findings. But still, only half of managers had translated company goals into clear pathways or developed realistic milestones for their teams in the last six months.

“
Employees with career goals are four times more likely to engage with learning than those without.”

Figure 6.
Managers struggle to assess their capabilities



Note. We asked managers to rate themselves on the above capabilities and to estimate the extent to which they had engaged with related behaviors for each capability in the last six months. % (on the left) refer to the number of managers who think they are good at each capability. % (on the right) refer to the number of managers who reported that they “often” or “always” exhibited related behaviors. *n* = 1,861

²¹ Kleingeld, A., van Mierlo, H., and Arends, L. (2011) ‘The effect of goal setting on group performance: a meta-analysis’, *The Journal of applied psychology*, 96(6), pp. 1289–1304. <https://doi.org/10.1037/a0024315> ²² Steinmann, B., Klug H. J. P., and Maier, G. W. (2018) ‘The Path Is the Goal: How Transformational Leaders Enhance Followers’ Job Attitudes and Proactive Behavior’, *Frontiers in Psychology*, 9, pp. 1-15. DOI: [10.3389/fpsyg.2018.02338](https://doi.org/10.3389/fpsyg.2018.02338) ²³ Ibid. ²⁴ LinkedIn Learning (2024) *Workplace Learning Report*. Available at: <https://learning.linkedin.com/resources/workplace-learning-report> (Accessed 16 May 2024)

Supported managers are better learning champions

Employees rely on their managers to discover new learning opportunities.²⁵ But this strategy hasn't served employees well in the past. In 2022, less than a third of managers shared learning opportunities with their people (see **Figure 7**).

From a managers' perspective, 67% believe they are good at recognizing the interests and strengths of their people – a critical first step to identifying relevant and worthwhile development opportunities for them. In fact, across all 12 capabilities we identified in Chapter 3, guidance (i.e., identifying development opportunities) was one of the capabilities that managers considered themselves best at, second only to recognition (i.e., acknowledging lows and celebrating highs).

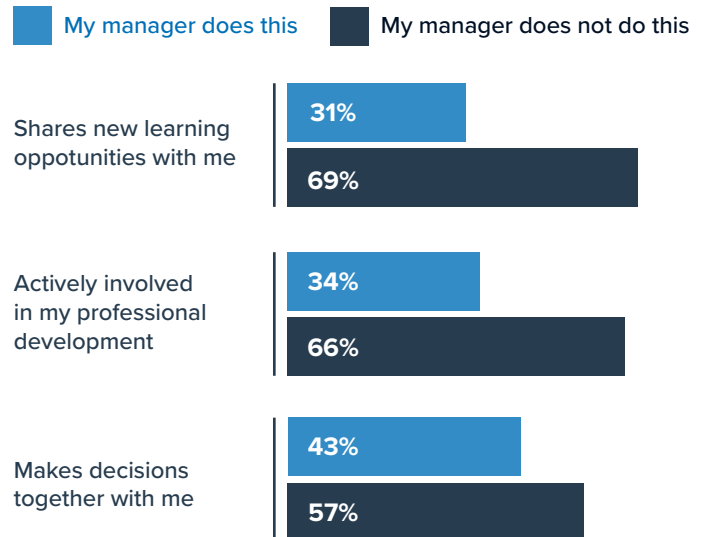
However, their behaviors do not align with this perception. To measure “identifying development opportunities” in practice, we asked managers how often they had identified opportunities for their people in the last six months, focusing on a person's strengths, interests, and potential impact on the business. We found that managers applied this capability less frequently than nearly all other capabilities we measured, ranking second only to goal setting.

What we're observing is a disconnect between the capabilities managers think they're good at and the capabilities they actually demonstrate. We began this report by showing how 86% of managers believe they “know what skills they need to be a good manager.” But, knowing or believing you have the right skills doesn't necessarily make you a good manager. The differences shown earlier on in Figure 4 are based on behaviors, not perceptions. And the data is clear: when managers are supported, they are better at guiding their people to the right development opportunities.

Figure 7.

As learning champions, managers fall short

According to employees in 2022, most managers did not share learning opportunities with their people, make joint decisions with them or play an active role in their professional development.



Note. % refers to the number of employees reporting that their manager does or does not engage in the above three behaviors. Data collected in partnership with YouGov, 2022. *n* = 2,044

²⁵ Mind Tools for Business (2022) *Learner Intelligence Report: Engaging with learning in the reimagined workplace*. Available at <https://mindtoolsbusiness.com/research-and-reports/learnerintelligence-report-2022> (Accessed 28 March 2023) ²⁶ Mind Tools for Business (2023) *Annual L&D Benchmark Report: Part One*. Available at <https://mindtoolsbusiness.com/research-and-reports/l-d-in-organizations-20-years-of-research> (Accessed 10 July 2023) ²⁷ ATD (2019) *Effective Evaluation*. Available at: <https://www.td.org/magazines/td-magazine/make-sense-out-of-evaluation-data> (Accessed 21 May 2024)

Satisfied managers are better managers

Only around half of middle managers we surveyed said they were pleased with the management and leadership training they had received. While controversial – certainly as a measure of impact – we were curious to understand if satisfaction matters. It does.

Since the mid-1900s, around the time Kirkpatrick introduced his training evaluation model, organizations have been advised to look beyond the reactions of their learners. A lot of L&D teams have listened but struggle to make considerable changes.

Being able to evaluate impact is a skill L&D teams lack more of than any other, and 69% of organizations urgently need to be able to do this in house.²⁶ As of 2019, a substantial 83% of organizations were using satisfaction surveys (or “happy sheets”) to evaluate their learning programs – a method more popular than anything else.²⁷

58%

“I am pleased with the management and leadership training I have received so far in my career.”

Satisfaction surveys (and happy sheets, in particular) get a bad rap. And it’s not fully justified. There’s a considerable amount of research available demonstrating relationships between learner reactions and learning outcomes.

A review of that research shows that satisfaction with learning improves both skill-based and factual knowledge (albeit in small quantities and only in the short-term).²⁸ But learning impact is about much more than knowledge. It’s about behaviors, performance and business outcomes.



²⁶ Mind Tools for Business (2023) *Annual L&D Benchmark Report: Part One*. Available at <https://mindtoolsbusiness.com/research-and-reports/l-d-in-organizations-20-years-of-research> (Accessed 10 July 2023) ²⁷ ATD (2019) *Effective Evaluation*, Available at: <https://www.td.org/magazines/td-magazine/make-sense-out-of-evaluation-data> (Accessed 21 May 2024) ²⁸ For a review, see Sitzmann, T., Brown, K. G., Casper, W. J., Ely, K., and Zimmerman, R. D. (2008) 'A review and meta-analysis of the nomological network of trainee reactions', *The Journal of applied psychology*, 93(2), pp. 280–295. <https://doi.org/10.1037/0021-9010.93.2.280> ²⁹ Chen, P., and Chih, J. (2012) 'The Relations between Learner Motivation and Satisfaction with Aspects of Management Training', *The International Journal of Management*, 29, 545. ³⁰ Shahriar, A., Pathan, H., Mari, M.A., and Umrani, T. (2011) 'The Extent of Satisfaction on the Key Factors that Affect Learner Motivation', *The International Journal of Academic Research in Business and Social Sciences*, 1(3), pp. 96-108.

So, what about capabilities?

It turns out that satisfaction with management and leadership training is a reliable predictor of manager capability (see **Figure 8**). Like early-career support, managers who were happier with the training received were significantly better at coaching, goal setting, providing guidance (i.e., identifying opportunities for their people to develop), and establishing trust. They were also more effective at delegating tasks and projects and recognizing highs and lows within their teams.

Satisfaction isn't a reliable measure of excellence. Just because managers are happy with the training they have received – whether that's related to the learning environment, content or something else – doesn't mean that the training was any good (it likely helps if it is).

We've established in this report that managers aren't reliable judges of what "good" management, and, by extension, training looks like. However, satisfaction does correlate with learner motivation.^{29,30} This means that when management training meets or surpasses learners' expectations, they're motivated to learn and achieve more.

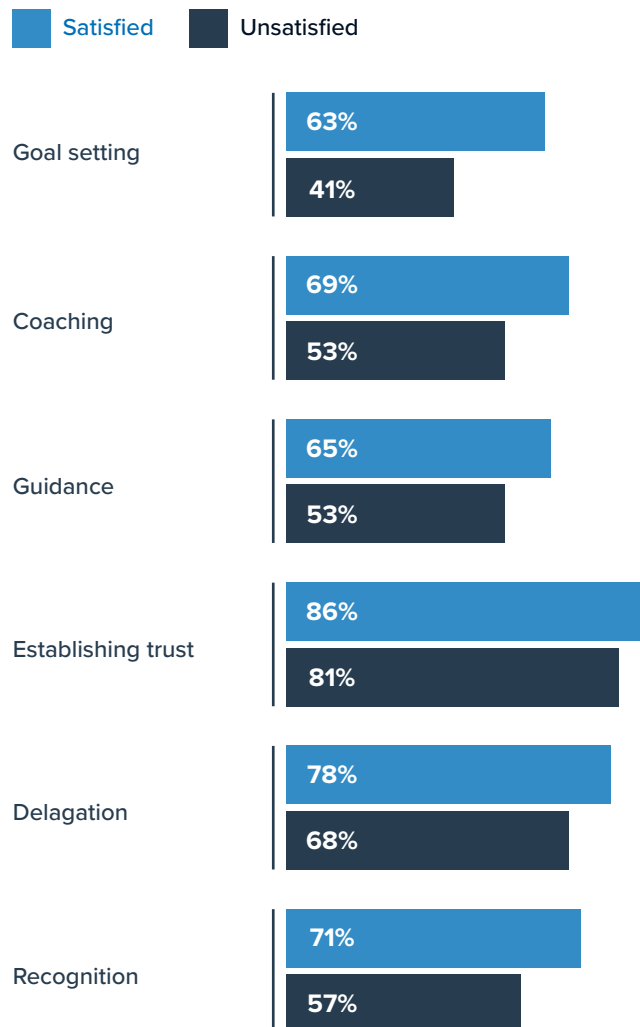
In the context of manager capabilities, this is important. It likely mediates the impact that satisfaction has on their development. Capabilities combine skills, knowledge, behaviors, processes, and tools. They take time, effort, experience and, all importantly, motivation to develop.



Figure 8.

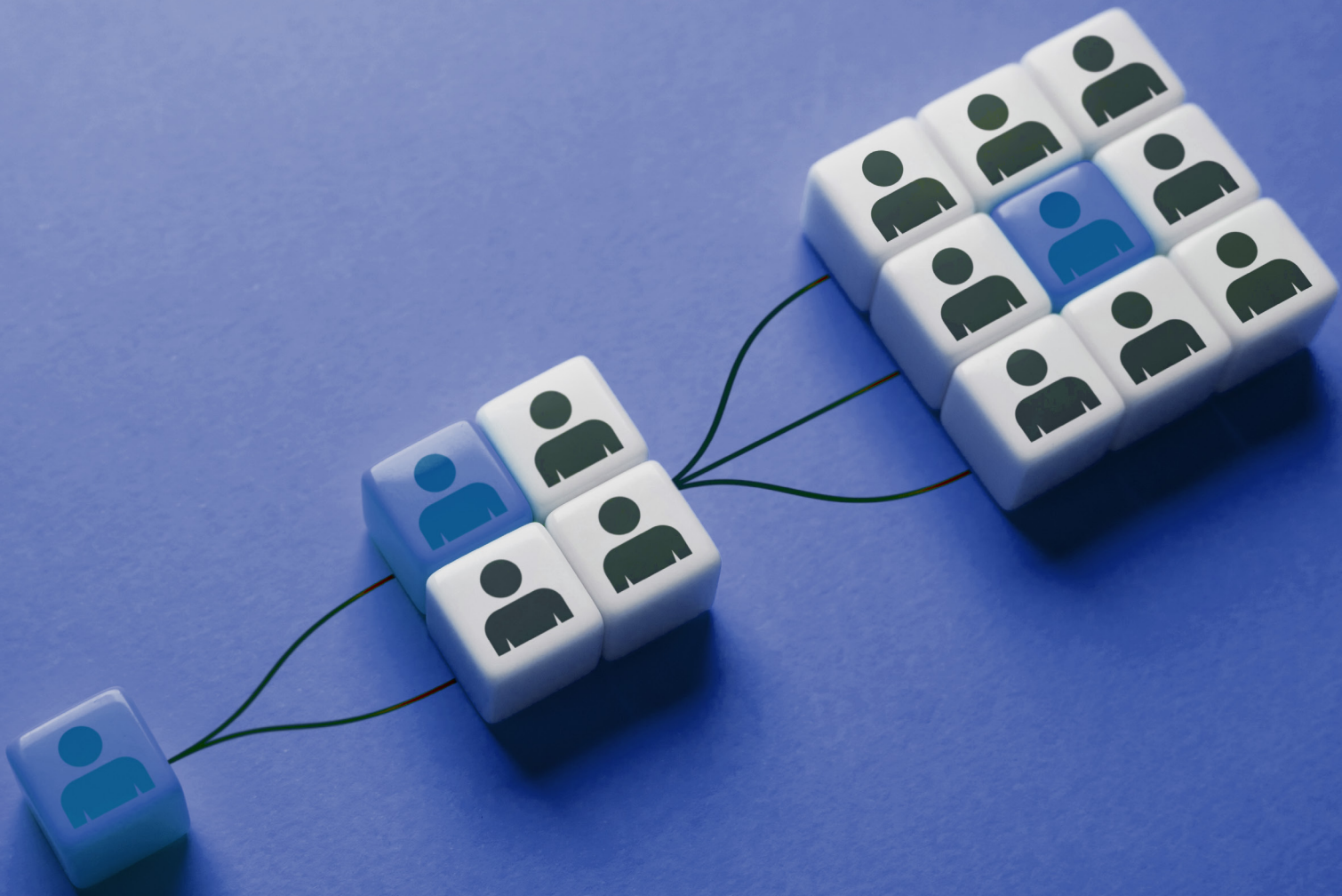
Satisfaction with management training predicts manager capabilities

Managers who were satisfied with the management training they had received so far in their career were significantly better at goal setting, coaching, providing guidance, establishing trust, delegation and recognition.



Note: Percentages refer to the number of managers ($n = 1,861$) who reported that they "often" or "always" exhibited behaviors relevant to the above five capabilities in the last six months. All differences reported in this figure were statistically significant.

5 | Supporting managers in 2024



In the previous chapter, we discussed the significance of early-career support and learner satisfaction for manager capabilities. For success, managers must be supported in their roles, but also happy with the development opportunities they have access to.

To help organizations achieve this, in this chapter, we will study the data we have collected from managers through a few valuable lenses. We will identify what managers want, why they struggle to develop, which challenges they face, and how they solve role-related challenges at work, all while being mindful of context.

What do managers want?

Just as context predicts the types of managers organizations need, context predicts the types of things managers want. At the start of this report, we identified the top three requests from managers in 2024.

In order, managers told us they wanted to:

- 1 Discover their strengths and weaknesses to identify areas of improvement
- 2 Know what their organization thinks they should be focusing on
- 3 Acquire and enhance essential management skills

But these requests – and the likelihood that managers will ask for them – were mediated by other things, including how long managers had been in the role (see [Figure 9](#)), how significantly they valued learning, and how satisfied they were with the management training they’d received so far in their career (for a summary of our findings, see [Table 1](#)).

Figure 9.

New managers want to discover their strengths and weaknesses more than mature managers

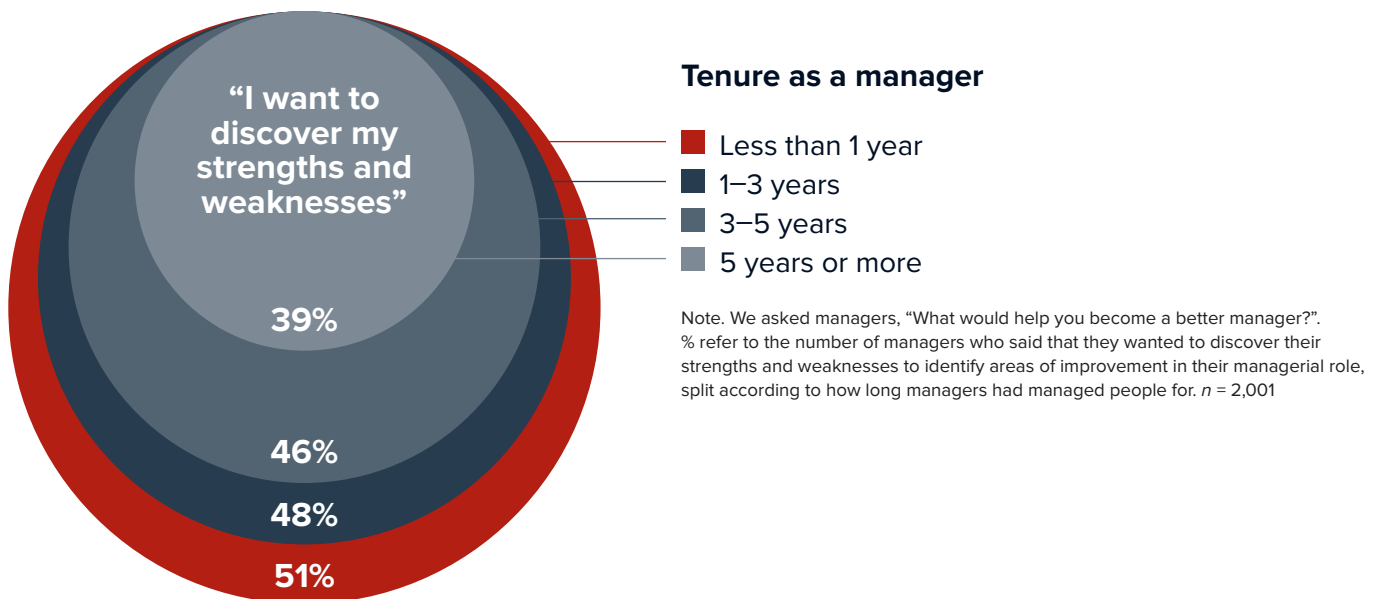


Table 1.

The value of tenure, self-directedness and satisfaction

We discovered that:

This tells us that:

New managers wanted to discover their strengths and weaknesses more than mature managers.

With experience, managers develop a better understanding of what they're good at. But only by a factor of 1.12 after five or more years in the role. Experience is important, but it's not everything. It is therefore necessary for organizations to identify reliable ways to measure and track management capabilities across a manager's full career.

Managers willing to leave a business because of a lack of learning opportunities wanted to acquire and enhance their skills more than managers willing to stay put.

Self-direction goes a long way. If organizations want their managers to develop continuously, they could consider hiring or promoting managers with enthusiasm for learning. For managers already in role, organizations should look for ways to encourage self-directedness.

Compared with managers who said they were happy with the management training they had received, unhappy managers were more likely to ask for greater direction from their organization about what they should be focusing on in their managerial role.

It matters what managers think about development opportunities, and it's important to ask them. By partnering with managers to understand more about their needs and interests, organizations can align learning programs to them and help managers to understand how their skills fit into the wider goals of the business.

Note. The predictive value of each variable (i.e., tenure in role, valuing L&D and satisfaction with management training) on manager requests was analyzed using simple linear regression. Each relationship outlined above was statistically significant with p-values less than .05, .05 and .01, respectively.

What prohibits managers from developing?

In our research, we weren't surprised to discover that managers who valued learning the most were also the most eager to develop their skills. However, it prompted us to explore some of the reasons managers find it challenging to learn at work (see **Figure 10**). As expected, half of managers reported that "too many competing priorities" restricted them from improving in their role. A "lack of time" is a common excuse for not learning at work. But it's a reasonable one for managers, considering that in 2023, Gartner predicted that managers had "51% more responsibilities than they could effectively manage..."³¹

The barriers managers identified in Figure 10 are primarily practical. Managers reported issues related to content, relevancy and access, which are helpful starting points for organizations looking for ways to improve their learning provision. Yet some of the more significant issues managers reported were related to culture.

One in five managers told us that their organization does not expect them to learn new things, which increased to one in four for industries with higher proportions of deskless workers, including retail, hospitality and leisure. And 31% of respondents said they weren't supported in developing their skills by their managers or the wider business.

In the last chapter, we explored the responsibility managers have for being learning champions in the business. We found that employees relied heavily on their managers to find out about new learning opportunities and that, in general, managers hadn't fulfilled this role (we'll revisit this topic again in Chapter 6). Ironically, managers also rely on their managers, and to such a degree that not having support from them was rated as the second largest barrier to professional development.

Figure 10.

Barriers to professional development

Half of managers reported that "too many competing priorities" restricted them from improving in their role.

Too many competing priorities

Lack of support from my manager or organization

Uninspiring learning content

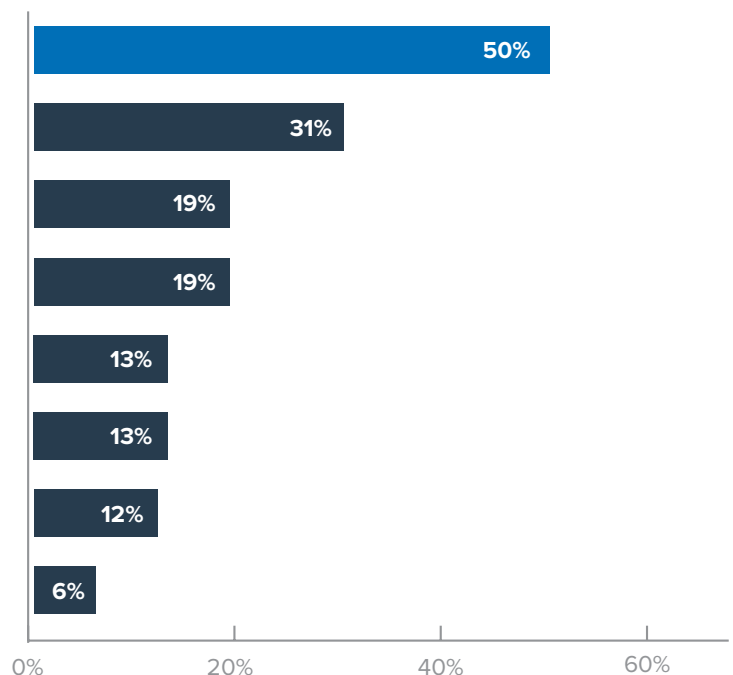
My organization does not expect me to learn new things regularly

The learning content I have access to is not relevant

I don't know what skills I need to be more effective

I can't find the resources I need to learn

I don't know how learning is connected to the business's success



Note. Percentages refer to the number of managers who reported that the above issues restricted them from becoming a better manager at work. $n = 2,001$

³¹ Gartner (2023) *Managers are cracking – And more training won't help*. Available at: <https://www.gartner.com/en/human-resources/trends/managers-are-cracking-and-more-training-wont-help> (Accessed 20 April 2024)

What challenges do managers face?

Support, in an L&D sense, is a broad concept. It relates to encouragement, time, budget, recommendations, and the availability of resources. But for managers, it also relates to dealing with challenging circumstances at work – a ripe opportunity for learning and development.

“Reaching out to my manager” was the number one strategy managers used to solve challenges at work (see [Figure 11](#)). When we shared scenarios with managers related to influencing other people, developing more effective working relationships, resolving team conflicts, having difficult conversations, aligning team goals with business priorities, and improving collaboration, 59% agreed that working with their manager would be an effective part of the solution.

“

What I think happens a lot in our organization is that managers coach their managers about how to do the job, which is interesting because if you’re not a really good people leader, you are kind of perpetuating bad habits down through the organization.”

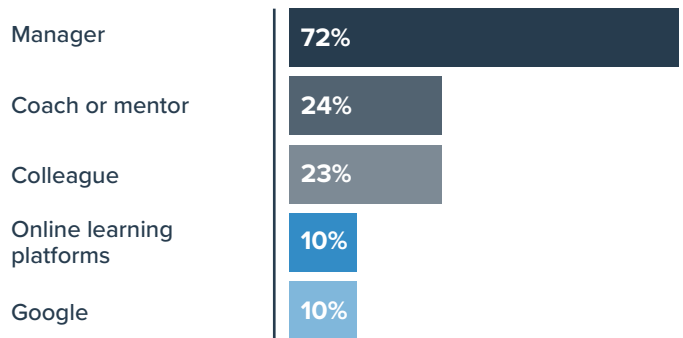
👤 Anonymous manager

Figure 11.

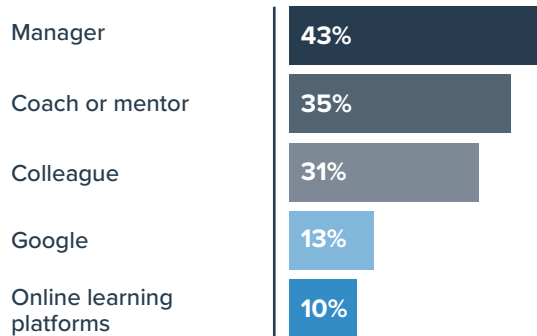
Top ways managers solve role-related challenges in 2024

On average, 59% of managers rely on their managers to solve challenges at work. Depending on the challenge and its context, managers also value working with colleagues (33%), discussing the issue with coaches or mentors (31%), engaging with professional networks or communities (13%), and exploring online learning platforms for related content (12%).

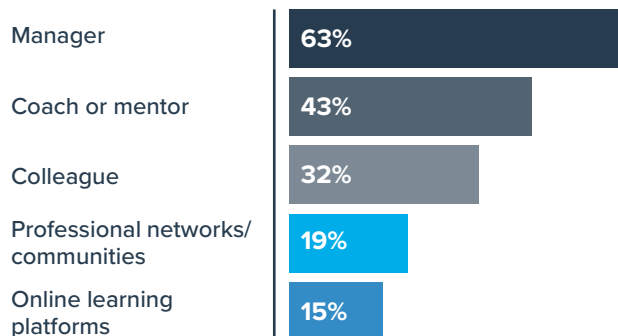
Influencing others and developing more effective working relationships



Resolving team conflicts and having difficult conversations



Aligning team goals to the business and improving collaboration



Note. % refers to the number of managers who would rely on each resource/ approach to overcome the challenge/s presented in each scenario. *n* = 2,001

Understanding the challenges that managers encounter and the extent to which they find them difficult is necessary to identify areas where managers require the most support. In semi-structured interviews with managers at the end of 2023, we identified nine key challenges (see **Figure 12**).³² We presented these challenges to more than 2,000 managers in the U.K. and asked them to rank the challenges based on their complexity and relevance.

We found that “having difficult conversations” was the number one challenge for managers in 2024. When we followed up with managers to identify which topics of conversations were the most challenging, almost one-third agreed that letting someone go from a job was the hardest conversation to have.

In 2024, it would be safe to assume that most managers are feeling similar things and behaving in similar ways.

They want to assess their capabilities, they’re overwhelmed by too many priorities, and they rely on their managers to solve challenges. However, context is important, and we should pay attention to the variances. In addition to the insights included in this chapter, we found:

1

New managers are the most concerned about influencing others – **22%** of managers who have been in role for less than 6 months identified “influencing up, down and across” as their most significant challenge.

2

Managers of larger teams (51 people or more) are **2.8** times more likely to struggle with building interpersonal relationships and maintaining networks than managers of smaller teams (50 people or fewer).

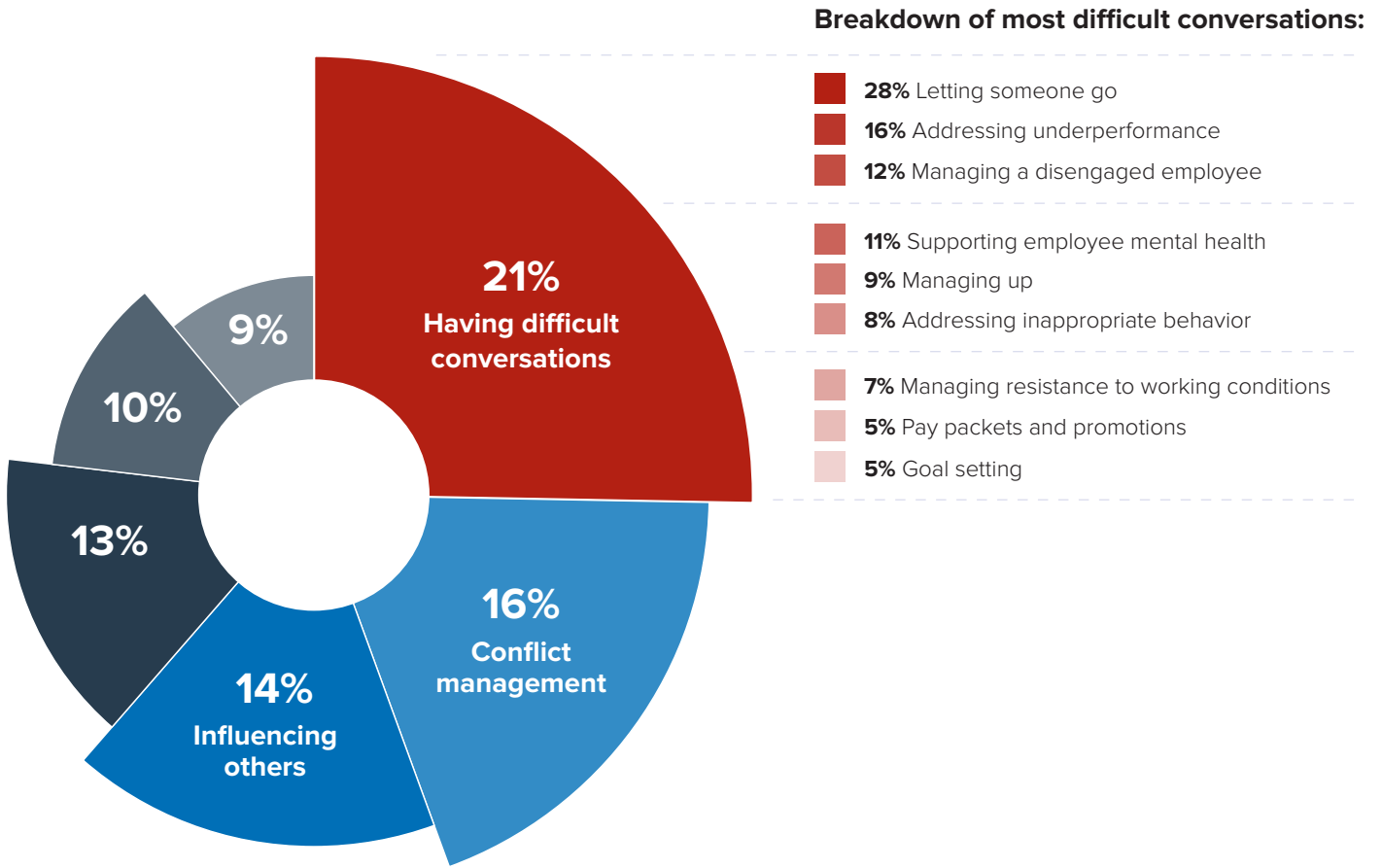
3

Managers in young organizations are the least satisfied with the learning content they have access to – **30%** of managers in organizations younger than five years old agreed that uninspiring learning content restricted them from improving in their role.

³² Interviews were conducted remotely and online between November and December 2023 with 22 managers based in either the U.K. or U.S. We asked managers about the biggest challenges they faced when they transitioned into the role and to rate them based on significance (i.e., from least to most challenging).

Figure 12.

Top challenges for managers in 2024



Top challenges for managers:

- ▲ **21% Having difficult conversations** ▲ **16% Conflict management** ▲ **14% Influencing others**
- ▲ **13% Prioritizing and delegating** ▲ **10% Identifying skills for good management** ▲ **9% Building team culture**
- ▲ **7% Managing diversity** ▲ **6% Responsibility for L&D** ▲ **5% Building interpersonal relationships**

Note. Managers ranked each challenge (on the left) and each topic of conversation (on the right) from least to most complex. % refers to the number of managers who ranked each challenge/topic as the most complex. n = 2,001

6 | **Managers as catalysts for business success**



The way we think about managers matters. It matters if we believe managers can help our organizations achieve great things, and it matters if we don't. So far, we've seen what happens to manager capabilities when their development is not prioritized, especially at the beginning of a manager's career.

Unsupported managers are 14% less effective at coaching and identifying opportunities for their people to develop and 16% less effective at setting goals. We've also seen how these capabilities – as just three examples – can impact the business by affecting employee engagement, proactivity and commitment.

According to McKinsey, “learning to love middle managers” is a top priority for CEOs in 2024. And we're pleased to hear it. For too long, organizations have viewed managers as the veins within their businesses rather than the heart. By doing so, they've missed opportunities to make bad managers good – and good managers better.

We intend to use this chapter to illustrate why CEOs are right to prioritize managers. We'll focus on a challenge that most organizations are grappling with in 2024³³ – employee retention – and consider how manager capabilities like **empathy** and **guidance** (neither of which has always been recognized for its value) contribute to its solution.

Empathy should be a priority, not a preference

Earlier in this report, and in the context of emotional intelligence, we discovered that managers recognized empathy an important manager capability (see **Figure 13**). This is good news. Especially considering that Deloitte Digital identified empathy, or the contrasting views on its importance, as the biggest challenge for employees and businesses in 2023.³⁴

Employees care about it, which means organizations should too. However, in 2024, only half of employees report being managed by someone empathetic and fair.³⁵ The consequence of this is serious. When managers lack empathy, employees are 34% less innovative and 43% less engaged at work.³⁶

In the context of manager capabilities, empathy is a relatively new area of focus. Traditional management and leadership training has prioritized process-driven, transactional capabilities (such as goal setting, decision making and delegation) more than the foundational people skills that underpin them (including empathy, active listening and self-awareness).

Perhaps this is because people skills have a less direct (or less understood) impact on business outcomes compared to transactional skills. Or because it's often assumed that people skills are developed during childhood and are therefore fixed in adults. How much, if at all, can organizations develop them in managers?

Trait theorists would argue that the qualities that make somebody a good leader or manager – like empathy – are innate. People are born with them. But research has consistently proven that's not true.

People skills can be developed, and not only in children. For example, fairness can be promoted in managers by increasing their self-awareness through feedback.³⁷ And empathy can be developed through diversified mentoring relationships in culturally diverse workplaces.³⁸

³³ McKinsey (2024) *What matters most? Eight CEO priorities for 2024*. Available at: <https://www.mckinsey.com/capabilities/strategy-and-corporate-finance/our-insights/what-matters-most-eight-ceo-priorities-for-2024> (Accessed 3 April 2024) ³⁴ Deloitte Digital (2023) *Hey bosses: Here's what Gen Z actually wants at work*. Available at: <https://www.deloittdigital.com/content/dam/digital/global/legacy/documents/blog/blog-20230323-hxsi-gen-z.pdf> (Accessed 4 April 2024) ³⁵ Gartner (2024) *Top 5 HR Trends and Priorities for 2024*. Available at: <https://emt.gartnerweb.com/ngw/globalassets/en/human-resources/documents/trends/hr-top-priorities-ebook-2024.pdf> (Accessed 6 April 2024) ³⁶ Catalyst (2021) *The power of empathy in times of crisis and beyond*. Available at: <https://www.catalyst.org/reports/empathy-work-strategy-crisis> (Accessed 21 May 2024) ³⁷ Whiteside, D. B. and Barclay, L. J. (2016) 'The face of fairness: Self-awareness as a means to promote fairness among managers with low empathy', *Journal of Business Ethics*, 137(4), pp. 721-730. <https://doi.org/10.1007/s10551-014-2357-7> ³⁸ Young, C. A., Haffejee, B., and Corsun, D. L. (2018) 'Developing Cultural Intelligence and Empathy Through Diversified Mentoring Relationships', *Journal of Management Education*, 42(3), pp. 319-346. <https://doi.org/10.1177/1052562917710687>

Cultural diversity is especially important because **empathy is a gateway to inclusive leadership**. Across racial groups, research has shown that employees are two times more likely to feel “respected and valued” at work when their managers are empathetic.³⁹

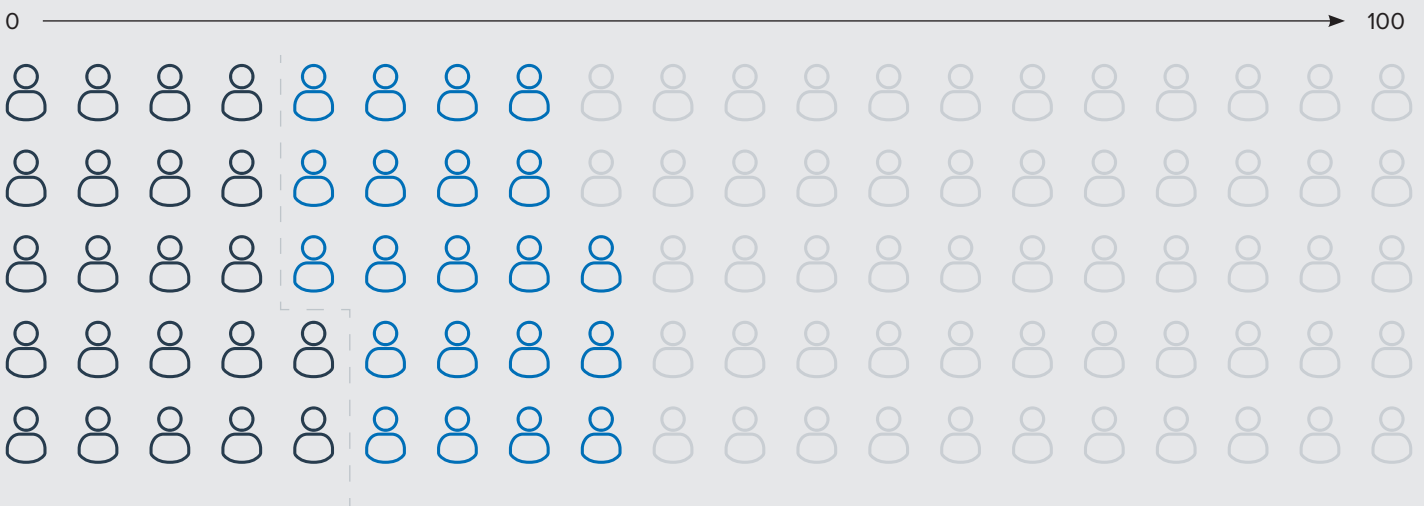
For women, also across racial groups, feeling respected and valued is the difference between continuing or quitting a job. On average, women who do not feel respected at work are almost three times more likely to consider leaving their organizations.⁴⁰ Hold that thought.

“

Across racial groups, employees are two times more likely to feel ‘respected and valued’ at work when their managers are empathetic.”

Figure 13.

Managers recognize empathy as an important manager capability



43% of managers included empathy in their “five most important capabilities”. Half gave it the top spot.

Note. We asked managers to identify the five most important capabilities for managers in 2024. Above we show the % of managers who included empathy in their top five, and the % of those who gave it the top spot (position one or two). *n* = 2,001

³⁹ Catalyst (2021) *The power of empathy in times of crisis and beyond*. Available at: <https://www.catalyst.org/reports/empathy-work-strategy-crisis> (Accessed 21 May 2024) ⁴⁰ Ibid.

Should I stay, or should I go?

After the pandemic, labor markets across the globe were rocked when millions of employees upped and left their places of work. In 2021, it was estimated that 47 million people quit their jobs in the U.S.⁴¹ In 2022, a further 50 million followed.⁴² When asked why, Pew Research Center found that most U.S. employees left because of issues related to pay, opportunities to advance and feelings of disrespect.⁴³

By 2023, the reality of this issue had set in for business leaders. According to KPMG, 77% of senior leaders nominated “talent” (i.e., recruiting, retaining and upskilling employees) as being their biggest L&D-related challenge that year.⁴⁴

In our research, we found that two-thirds of leaders in 2023 agreed that L&D teams should focus on improving talent strategies, employee engagement and staff retention.⁴⁵ In earlier years, including 2021, business leaders cared more about L&D’s role in organizational performance, transformation, innovation, and growth.

According to LinkedIn Learning, nine in ten organizations continue to be concerned about employee retention in 2024.⁴⁶ Encouragingly, providing employees with learning opportunities is the top retention strategy for most of these businesses.⁴⁷

And it’s necessary.

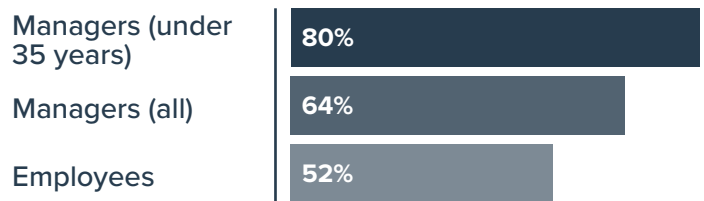
A sizeable 63% of employees believe that their organization cares more about their productivity than their career development.⁴⁸ And 52% would voluntarily leave the company they work for because of a lack of development opportunities.⁴⁹

This figure is even higher for managers – 64% of those who have managed people agreed that they would look for another job if their organization failed to provide them with opportunities to learn – and that figure is higher still for managers under the age of 35 years (see **Figure 14**).

Figure 14.

Managers will leave a company because of L&D

“I would look for another job if my organization failed to provide me with opportunities to learn”



Note. Across 175 teams (each with a minimum of eight people), Culture Amp found that 52% of employees who chose to leave their organization in 2024 did so because of “development opportunities”. In our research, we found that 64% of managers would look for another job if their organization failed to provide them with opportunities to learn, which rose to 80% for managers under the age of 35 years. *n* = 1,861



⁴¹ U.S. Bureau of Labor Statistics (2022) *Jobs openings and labor turnover survey news release*. Available at: https://www.bls.gov/news.release/archives/jolts_03092022.htm (Accessed 18 April 2024)
⁴² U.S. Bureau of Labor Statistics (2023) *Jobs openings and labor turnover survey news release*. Available at: https://www.bls.gov/news.release/archives/jolts_03082023.htm (Accessed 18 April 2024)
⁴³ Pew Research Center (2022) *Majority of workers who quit a job in 2021 cite low pay, no opportunities for advancement, feeling disrespected*. Available at: <https://www.pewresearch.org/short-reads/2022/03/09/majority-of-workers-who-quit-a-job-in-2021-cite-low-pay-no-opportunities-for-advancement-feeling-disrespected/> (Accessed 19 May 2024)
⁴⁴ KPMG (2023) *Talent still the top issue keeping business leaders up at night*. Available at: <https://home.kpmg/au/en/home/media/press-releases/2023/01/talent-still-top-issue-keeping-business-leaders-up-at-night-5-january-2023.html> (Accessed 16 January 2023)
⁴⁵ Mind Tools for Business (2023) *Leadership report: Turning pressures into opportunities*. Available at: <https://mindtoolsbusiness.com/research-and-reports/turning-priorities-into-opportunities> (Accessed 4 July 2023)
⁴⁶ LinkedIn Learning (2024) *Workplace Learning Report*. Available at: <https://learning.linkedin.com/resources/workplace-learning-report> (Accessed 16 May 2024)
⁴⁷ Ibid.
⁴⁸ INTOO (2024) *Unlocking organizational success report 2024*. Available at: <https://resources.intoo.com/about-intoo/intoo-unlocking-organizational-success-report-2024> (Accessed 12 May 2024)
⁴⁹ Culture Amp (2024) *The biggest lie in HR: People quit bosses not companies*. Available at: <https://www.cultureamp.com/blog/biggest-lie-people-quit-bosses> (Accessed 11 March 2024)
⁵⁰ For a review of research relevant to demographic shifts and generational diversity, see Mind Tools for Business (2023) *Annual L&D Benchmark Report: Part Three*. Available at: <https://www.mindtools.com/business/research/megatrends-resaping-the-future/> (Accessed 10 March 2024)

In 2024, organizations can just about consist of up to five generations, prompting industry reports and scientific studies to focus on the implications of this diversity for workplace. Much of this work concludes that younger generations care the most about learning and development.^{51,52,53}

And perhaps they're right.

Perhaps younger generations have some shared life experiences that have led them to value their own continual development more than older generations. Or maybe (and more likely) younger generations are just at a different point in their careers.

Either way, younger managers – those who'll go on to help define the future of workplace management – care about learning. Hold that thought as well.



⁵¹ INTOO (2024) *Unlocking organizational success report 2024*. Available at: <https://resources.intoo.com/about-intoo/intoo-unlocking-organizational-success-report-2024> (Accessed 12 May 2024) ⁵² D'Amato, A. and Herzfeldt, R. (2008) 'Learning orientation, organizational commitment and talent retention across generations: A study of European managers', *Journal of Managerial Psychology*, 23(8), pp. 929-953. <https://doi.org/10.1108/02683940810904402> ⁵³ See Figure 7 in Mind Tools for Business (2023) *Annual L&D Benchmark Report: Part Three*. Available at: <https://www.mindtools.com/business/research/megatrends-reshaping-the-future/> (Accessed 10 March 2024)

Managerial magnetism: building a loyal workforce

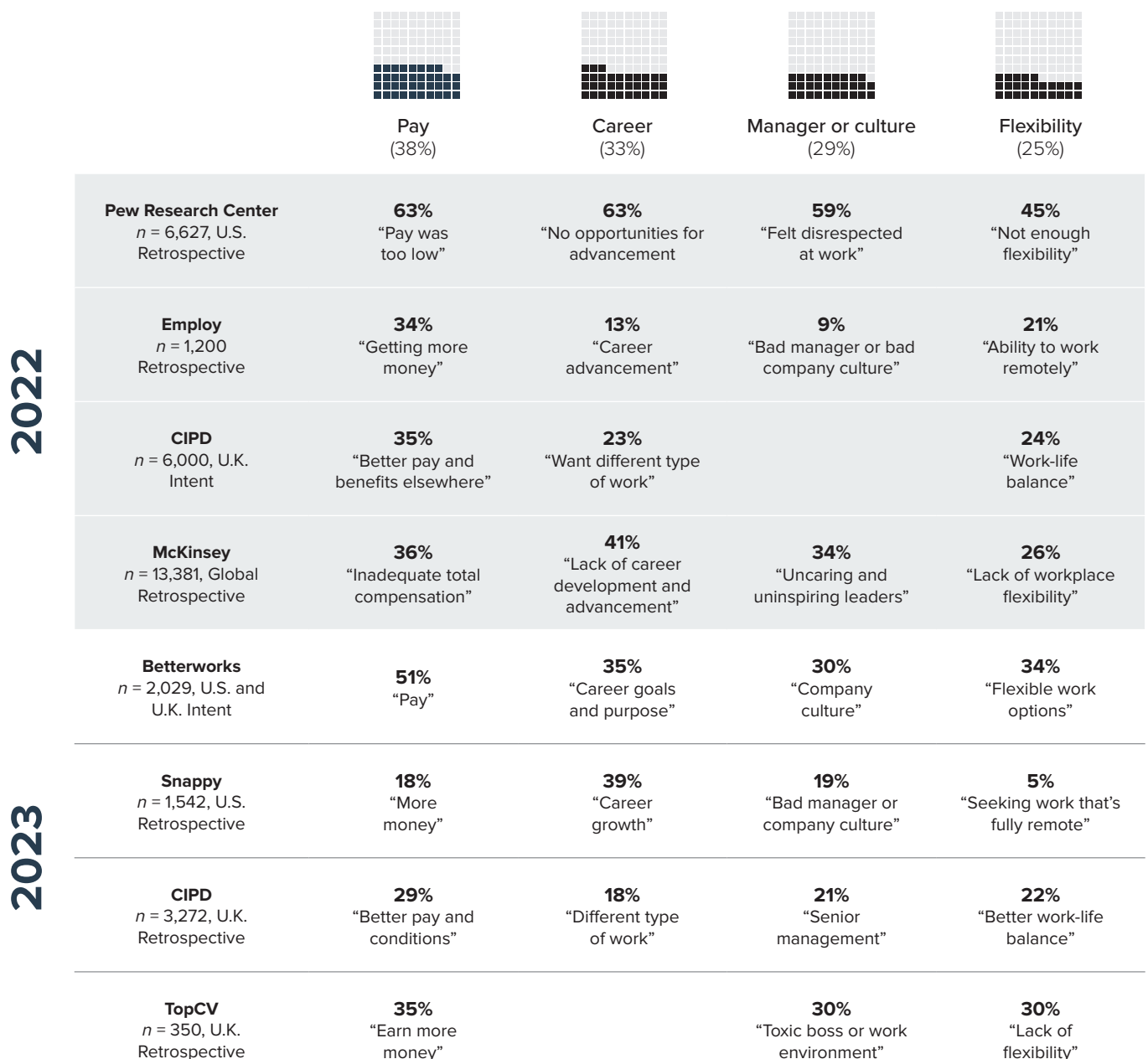
For a long time, HR professionals have believed that people leave managers, not organizations. However, recent research has argued that the number of employees choosing to leave an organization because of their manager could be as low as 12%.⁵⁴

Perhaps, when measured crudely and without context, this estimate is accurate. But our review suggests that this figure should at least be in the region of 29% (see [Figure 15](#)).

Figure 15.

Top four reasons employees quit jobs

Below we have summarized our review of the research identifying the most common reasons employees quit (or intended to quit) their jobs in 2022 and 2023.



Note. For each study summarized above, employees were asked about their decision to leave a previous job or why they would leave their current job. We have labelled these research methods as 'Retrospective' and 'Intent', respectively. A full list of references for the research included in this table can be found at the end of this report.

⁵⁴ Culture Amp (2024) *The biggest lie in HR: People quit bosses not companies*. Available at: <https://www.cultureamp.com/blog/biggest-lie-people-quit-bosses> (Accessed 11 March 2024)

The reason people choose to leave a job is usually more nuanced than simply “because of a bad manager.” Many factors driving employees to move on are not directly related to management issues – even if they are connected.

This chapter’s research reveals that employees are more likely to quit if they don’t feel respected or lack adequate development opportunities. The first reason correlates with manager empathy and inclusive leadership, while the second relates to how well managers fulfill their role as learning champions in the business.

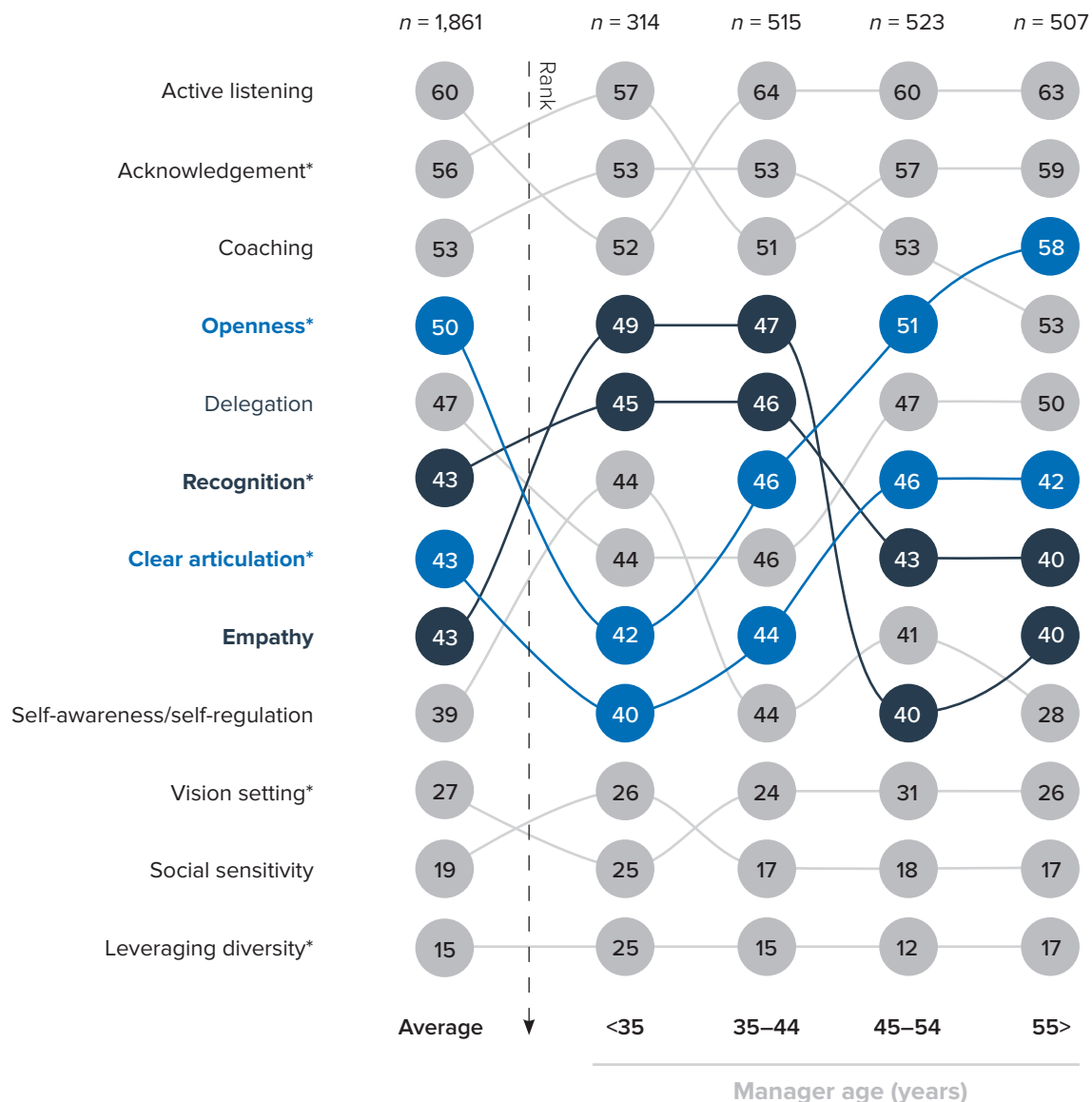
Although the youngest managers in our workforces care the most about their personal professional development, less than half ranked “guidance” (or “identifying development opportunities”) as one of the most important manager capabilities in 2024 (see **Figure 16**). Of the 45% that did, just 11% gave it the top spot.

Ironically, a young manager’s enthusiasm for L&D fails to translate to the people they manage. Perhaps younger managers don’t agree that developing people is integral to the job. But it’s hard to believe when 4 in 5 of them are willing to leave their companies if they aren’t provided with learning opportunities.

Figure 16.

Top manager capabilities in 2024, split by manager age

Younger managers care the most about empathy and the least about openness.



Note. Numbers refer to the % of managers who included each capability in their list of the “top five more important capabilities for managers”, ordered in terms of rank (capabilities at the top of the graph were rated as the most important to managers). *Since we collected the above data in March 2024, we have conducted a second review of the literature. In light of this, we have revised these capability names to better reflect the concepts they describe. In order, “acknowledgement” has been replaced by “recognition”, “openness” replaced by “trust”, “recognition” by “guidance”, “clear articulation” by “transparent communication”, “vision setting” by “goal setting”, and “leveraging diversity” by “inclusive leadership”. For definitions of these capabilities, please see Figure 3.

Perhaps business leaders aren't clearly defining managers' responsibilities or the significance of this aspect of the job. This might explain why younger managers are most eager to know their organization's priorities for 2024 (see [Figure 17](#)).

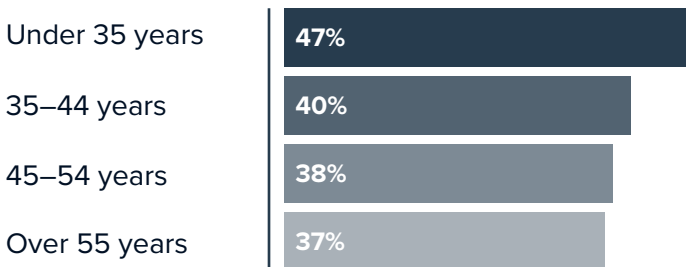
Or perhaps organizations don't prioritize learning enough. According to L&D leaders in 2023, only 59% of organizations expect managers to take responsibility for developing the skills of their people; a stark reminder that many businesses still don't acknowledge that management is about people.

When the data is laid bare, it's not difficult to join the dots. Managers play a pivotal role in the business; one that extends well beyond the responsibilities that traditionally fall under their remit. Through the working environments they foster and the support they provide, they influence the likelihood of talented employees sticking around.

Figure 17.

Young managers are asking for direction

"I want to know what my [organization thinks](#) I should be focusing on in my managerial role"



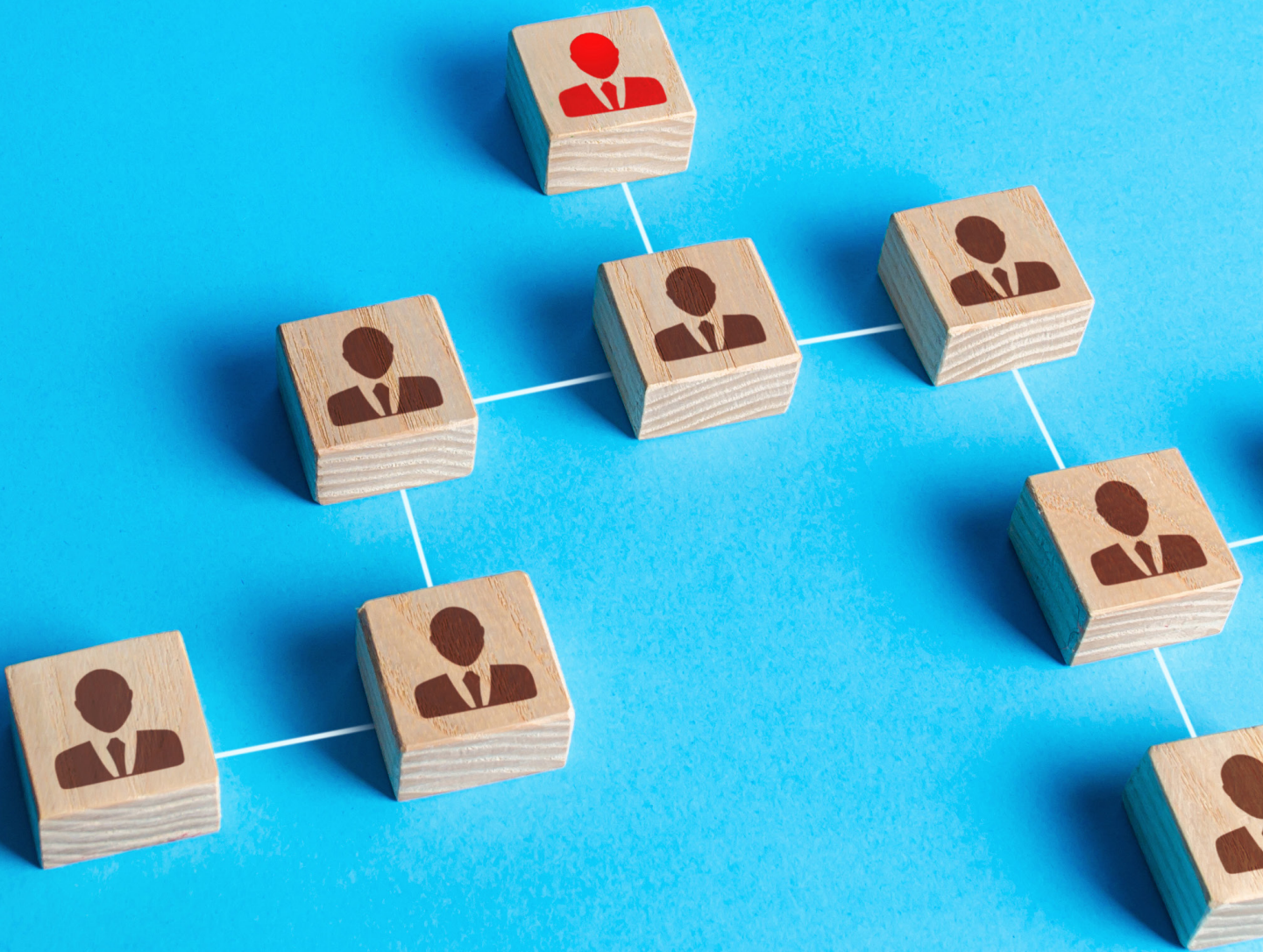
Note. *n* = 2,001

By being inclusive (including in a learning capacity, e.g., collaborating with employees to co-design programs and learning approaches) and offering diverse learning experiences, managers also contribute to the development of healthier learning cultures. And it's no coincidence that organizations with the strongest learning cultures report the highest rates of retention.⁵⁵



Organizations with the strongest learning cultures report the highest rates of retention.”

7 | General Summary



Half of managers do not make time for their professional development because they have “too many competing priorities.” They’re feeling maxed out, and it’s not surprising. Over time, the manager role has evolved, but there has been no clear transition in duty. Organizations haven’t assessed and adjusted their expectations of managers; they’ve only added to them.

Traditional managers are task-oriented and focus on objectives, outputs and outcomes. Modern managers behave more like leaders – they align teams, shape cultures and coach people. And while they are still required to set goals, meet deadlines and deliver high performance, they must now do so in the context of building effective working relationships, fostering innovation and developing others.

The shift from focusing on tasks to focusing on people is a positive one. People are at the heart of successful businesses, which is why we have concentrated on the manager capabilities that get the best out of them.

In this report, we have shown how people-centric capabilities, like empathy, contribute to wider business goals, like employee retention. And how, when organizations commit to developing these capabilities in managers, they realize their potential. Managers who are supported with resources, formal courses and training are better coaches, goal setters and learning champions.

“

Managers who are supported with resources, formal courses and training are better coaches, goal setters and learning champions.”

We also found that:

1 80% of managers we surveyed were promoted because they were good at their job, not because they wanted to manage people.

2 Managers who were unhappy with the management training they had received were significantly less capable than happy managers.

3 And, above all things, managers wanted to “measure their strengths and weaknesses to identify areas of improvement.”

It’s unreasonable for organizations to assume that new managers will be qualified because they’re technically competent. It’s important to check that development opportunities meet learning needs and expectations. And it’s essential to identify reliable ways to measure the capabilities of managers – even for the most experienced, there’s a self-reported difference of 13% between the capabilities managers are good at and the capabilities they think they’re good at.⁵⁶

All of these insights have led us to conclude that **good managers aren’t born – they’re built**, and organizations have a responsibility to help build them.

⁵⁶ On average, 55% of managers who had been in role for more than five years agreed that they were “good” at the 12 capabilities included in our manager capability framework. When we asked managers about their behaviors in the last six months (e.g., the extent to which they had “regularly checked in with their team about their development, career and aspirations” or “mediated their feelings, so that they do not have a negative impact on others”), we found that managers had engaged in 68% of behaviors related to the same 12 capabilities. In other words, they were better than they thought they were.

8 | Methodology

The data presented in this report was collected in partnership with YouGov in March 2024.⁵⁷ A total of 2,001 managers across the U.K. completed the survey. Managers were mid-level in their organizations and responsible for at least one other person at work, either within a single team or across multiple teams. Managers were surveyed across 12 industries (excluding those who had reported “other”) and mostly belonged to organizations with 50 or more employees (67%). Almost two-thirds of managers had been directly managing other people for more than three years, and most (76%) were responsible for between 1 and 10 employees.

Much of the data in this report is summarized as percentages but we have also performed advanced statistical tests to understand the relationships, differences and patterns we’ve observed. The claims and predictions we make in our reports are based on statistical significance, for which we use a p -value of .05 as our cut-off. This means that there is less than a 5% probability that the results we observe are random (and, therefore, a 95% probability that we’ve stumbled on something pretty important!). Some of the statistical tests we have used in this research include:

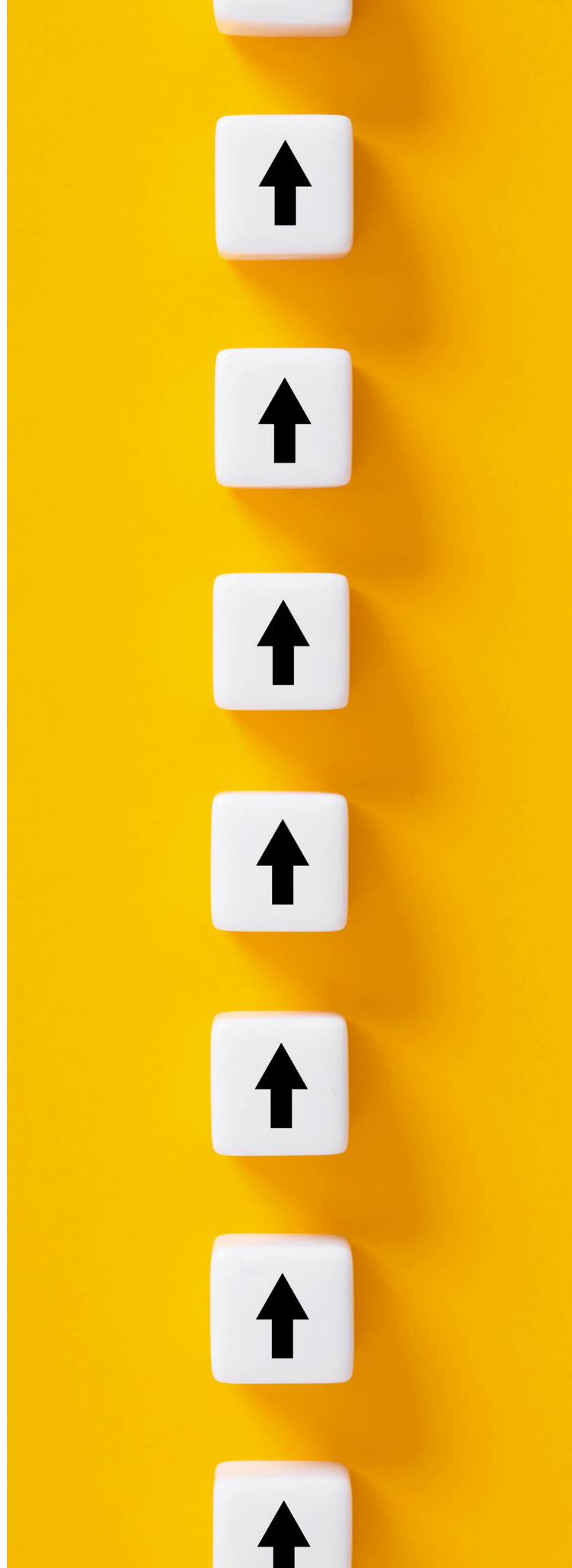
- ▶ **Cronbach’s alpha**
- ▶ **Correlation**
- ▶ **Linear and multiple regression**

To perform these tests, we have used the statistical software package R. If you have any questions or would like to know more about how we have analyzed our data, please contact us directly.

Where other research has been cited in the report, we have included full references in the footnotes with accompanying links to each source. All of Mind Tools’ earlier reports, some of which we draw from in this report, can be found on our website:

<https://www.mindtools.com/business/research/>

⁵⁷ All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 2,001 middle managers. Fieldwork was undertaken between 13th and 22nd March 2024. The survey was carried out online.



9 | Appendix

Table 2.

Research evidence showing the impact of manager capabilities on the business

Below we have summarized some of the key scientific studies that have demonstrated relationships between our 12 manager capabilities and core people-, manager- and business-outcomes.

● People outcomes ○ Manager outcomes () Business outcomes

Emotional intelligence	Empathy	●●	Catalyst, 2021	When managers lack empathy, employees are 34% less innovative and 43% less engaged .
		○ ()	Rahman & Castelli, 2013	Younger leaders are more empathetic than older leaders. High empathy predicts leadership effectiveness (in terms of motivation, openness, communication, trust and adaptability) and organizational performance (in terms of profit and growth).
		○	Dietz & Kleinlogel, 2014	Managers with higher empathy are more likely to make decisions that are both morally and economically optimal.
		●●	Scott et al., 2010	Employees working for empathetic managers experience fewer physical ailments and more positive emotions .
	Self-awareness and self-regulation	○	Church, 1997	High-performing managers are more self-aware than average-performing managers.
		○●	Groulx et al., 2024	Emotionally-exhausted managers who are unable to maintain emotional control have a negative impact on their team's psychological safety and readiness to change .
		●	Zamahani & Rezaei, 2014	Self-aware managers promote organizational commitment in employees (including altruism and loyalty).
		○ ()	Yeow & Martin, 2013	Leaders who are trained to self-regulate are rated as being more effective at their job and report higher financial performance for their teams.
	Social sensitivity	●●	Bender et al., 2012	Social sensitivity predicts team performance and satisfaction ...
		●●	Lacher & Beihl, 2019	... including for virtual teams.
		○	Rezaeian et al., 2017	Social sensitivity improves decision making in social settings.

Table 2. (Cont.)

● People outcomes ○ Manager outcomes () Business outcomes

Motivate people	Trust	●●●	Brower et al., 2009	Mutual manager-employee trust improves performance and organizational citizenship behavior and reduces employee turnover .
		()	De Klerk, 2012	Trust is identified as the single and most important mediator of effective business relationships and networks.
		() ● ()	Brown et al., 2015	Employee-manager trust correlates with financial performance, employee productivity and product/service quality .
		()	Crossley, Cooper & Wernsing, 2013	Employee-manager trust facilitates the relationship between challenging sales goals and sales performance . In a case study in the U.S., the difference in annual sales for high-trust vs. low-trust managers was US\$3.16 million.
	Inclusive leadership	●●	Carmeli et al., 2010	Inclusive leadership promotes psychological safety which leads to employee creativity and innovation .
		●●●	Nguyen et al., 2019	Inclusive leaders positively influence employee well-being, person-job fit and innovation . Innovation plays a mediating role in the relationship between person-job fit and job performance.
		() ()	Fang, Dai & Zhang, 2021	By motivating employees, inclusive leaders who are open and accessible have a positive effect on business model innovation (e.g., developing new value propositions) and boundary-spanning exploration .
	Recognition	() () ●	Peterson & Luthans, 2006	When managers are trained to deliver performance feedback and social recognition, their teams are 36% more profitable , customers are 25% more satisfied and employees are 10% less likely to leave . These benefits are sustained over time.
		() ()	Scherbaum et al., 2021	Sales and customer satisfaction increases when managers receive training to deliver nonmonetary, social recognition to their employees.
		●●	Upadhyay, 2018	Personalized and specific nonmonetary recognition of employees by managers moderates the relationship between employees' perception of managers as "transformational" and the likelihood of them performing organizational citizenship behaviors .
		●●● ●●	Canon, 2015	Recognition from a manager correlates with emotional wellbeing (employees are happier), retention (employees are less likely to leave), commitment (employees are more committed to the business), organizational citizenship behavior (employees volunteer for additional work beyond their role), and performance .

Table 2. (Cont.)

● People outcomes ○ Manager outcomes □ Business outcomes

Develop people	Active listening	●	Kriz et al., 2021	Active listening reduces job insecurity .
		●	Jonsdottir & Kristinsson, 2020	Active-empathic listening improves the dedication of employees.
		○ ●	Kluger et al., 2024	Listening predicts work outcomes, particularly the quality and strength of working relationships . By improving working relationships, listening enhances job performance , and is a more powerful predictor of success than giving feedback.
	Guidance	●	Culture Amp, 2024	52% of employees quit their job in 2024 because of a lack of development opportunities.
		● ● ●	Hollar et al., 2022	Recommending development opportunities improves job satisfaction, retention and engagement .
	Coaching	●	Ladyshewsky & Taplin, 2018	Managerial coaching skills predict employee engagement .
		● ● ●	Dawber, 2019	Coaching covers all aspects of employee development (including recommending development opportunities). Positive outcomes of coaching include engagement (e.g., increases self-directed learning), collaboration and employee development (e.g., when coached, employees report feeling more confident at work).
		○	Smith, 2019	Managerial coaching skills are essential for solving team challenges .
		● ●	Ribeiro et al., 2021	Employees' perceptions of managerial coaching skills positively correlate with their affective commitment to the business and their performance .

Table 2. (Cont.)

● People outcomes ○ Manager outcomes () Business outcomes

Set expectations	Transparent communication	● ()	Kim, Park & Cameron, 2017	Transparent communication accounts for 16% of variance in engagement (in terms of vigor, dedication and absorption). Greater transparent communication also correlates with a positive organization reputation .
		()	Men, 2014	When organizations communicate transparently, employees evaluate organizations more favorably.
		● ●	Walden, Jung & Westerman, 2017	When employees are provided with adequate and thorough information about their job performance and workplace challenges, they are more committed to the business and less likely to leave .
		●	Kalogiannidis, 2020	Effective downward communication improves employee performance in terms of work quality, contribution to the business and self-directedness.
	Goal setting	● ● ●	Steinmann et al., 2018	When transformational managers set goals, employees are happier , more proactive and more committed to the business.
		●	LinkedIn Learning, 2014	Employees with career goals are four times more likely to engage with learning.
		()	Crossley, Cooper & Wernsing, 2013	More proactive managers set more challenging goals, which leads to higher sales performance .
		●	Lartey, 2021	52% of variance in employee engagement is explained by career planning, employee autonomy and manager recognition. Career planning is the most significant predictor of all three.
	Delegation	● ●	Schriesheim et al., 1998	Effective delegation correlates with job satisfaction and performance .
		● ●	Zhang et al., 2017	Psychological empowerment mediates the positive relationship between effective delegation and feedback-seeking behaviors .

Note. A full list of references for the research included in this table can be found at the end of this report.

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