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ARTICLE COLLECTION

How best to achieve your goals—and your company's? Partner with your boss.

Managing Up, 2nd Edition

Included with this collection:

Product 2099

Managing Up, 2nd Edition

Collection Overview

The best way to make a major impact in your organization? Forge a strong relationship with your boss. You'll get the support and resources you need to put your great ideas into action.

But "managing up" isn't easy. For example, if you're reporting to a new CEO, you stand a good chance of finding yourself out the door. In this unique situation, it's vital to make the right first impression and swiftly establish your value. Equally challenging, it's not always clear what actions and attitudes your boss expects from you—or how he prefers to communicate and make decisions.

This HBR Article Collection provides the guidebook you'll need to build a positive bond with your boss. You'll find suggestions for starting off on the right foot with a new supervisor, demonstrating the behaviors he expects, and discerning his work-style preferences.

"Managing up" isn't manipulation. It's the surest route to giving your boss the cooperation *he* needs—and getting the resources *you* need to excel on the job.

The Articles

If your company just named a new CEO, he'll likely make people decisions within 60 days. And many of his direct reports will find themselves out the door. If you like the new chief's style and vision, you'll need to make a good first impression to boost your chances of staying on board.

Let your new CEO know you want to be on his team, and ask how you can help realize his vision. Avoid burdening him with talk about your own agenda—whether it's your compensation or conflicts you're having with other executives. And secure face time with him—by taking on a special project that calls for extensive interaction with him.

The leadership literature abounds with advice on what actions *bosses* should take—but it says little about the actions leaders should expect from their *followers*. Bossidy addresses the gap.

As a subordinate, offer your creative ideas. Your boss wants to hear them, because even seemingly crazy ideas can spark spectacular successes. Overcome differences between you and others so you work together effectively—even if you don't like each other. Stay current by regularly reading and watching the news. What happens in the world affects what happens with your team, your marketplace, and your competition. And seek perpetual education and development—by exposing yourself to new ideas and people and seeking out demanding assignments.

If you confuse managing up with mere manipulation, you may fail to recognize your mutual dependence with your boss. Your supervisor needs your support and cooperation to accomplish his job. And you need his link to the rest of the organization to accomplish yours.

Take every opportunity to understand your boss's expectations of you. Equally important, be sensitive to how he prefers to receive information and make decisions. Respect pressures on his time by handling more trivial matters yourself. Forge a relationship that accommodates your respective strengths, weaknesses, and work styles.

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Everybody knows turnover at the top means upheaval. But new research shows just how bad your chances of keeping your job are.

Surviving Your New CEO

by Kevin P. Coyne and Edward J. Coyne, Sr.

Included with this full-text *Harvard Business Review* article:

Reprint R0705C

Surviving Your New CEO

The Idea in Brief

When a new CEO arrives, most senior executives worry about their jobs. Rightly so: chances are high they'll soon find themselves out the door. Worse, they're likely to land in a lower position or work in a smaller firm.

How to avoid these fates? Accept that many new CEOs make people decisions within 60 days—so first impressions count, say Kevin Coyne and Edward Coyne, Sr. If you want to stay, let your new chief know you're ready to be on the team, and ask how you can help realize his vision. Then demonstrate your support through additional means—such as mirroring his working style and presenting an honest game plan for your area of responsibility.

The danger of being pushed out by a new CEO is real. But so are the opportunities—if you swiftly establish your value when the new chief arrives.

The Idea in Practice

The authors suggest these strategies for making a good first impression on your new CEO:

SHOW YOUR GOODWILL

Absent strong signals from you, the new CEO will draw his own conclusions about your views. Take the initiative to talk about your responsibilities with him and your willingness to help him realize his vision.

LEAVE YOUR BAGGAGE AT THE DOOR

Don't burden the new chief with talk about any aspects of your own agenda—including your compensation, long-term plans at the company, or conflicts with other executives. And counsel your spouse to be scrupulously politic about your agenda.

STUDY THE NEW CEO'S WORKING STYLE

It's difficult to discern your new boss's proclivities through observation. Ask about them directly.

▶ Example:
One plainspoken executive who gossips predicted would be an early casualty of the new regime asked his CEO how she wanted him to disagree with her. Specifically, "What kinds of facts—frontline stories or statistics—cause you to change your mind? Can I disagree in public or only in private? If I fail to convince you of my case, should I try again or just accept your decision?" He prospered throughout her 12-year tenure.

UNDERSTAND THE CEO'S AGENDA

The new chief's fate depends heavily on the company's stock performance during his first year of tenure. So, provide constructive suggestions about actions he can take quickly to increase shareholder value.

Also confirm your understanding of the CEO's agenda directly with him. Don't rely solely on talking with board members about their possible directives for the new leader.

PRESENT A REALISTIC AND HONEST GAME PLAN

Don't sugarcoat strategic plans for your division. A too-rosy report might make your boss ask herself, "Who are you trying to kid?" If you don't show the negatives, she may suspect that you don't know them or that you'll try to hide things from her.

BE ON YOUR "A" GAME

Secure face time with your new boss. The best way is to take on a special project in which you must interact extensively with him over a short period of time. He'll appreciate spending time with you. And if his initial impressions of you were less than stellar, you might be able to turn his feelings around.

OFFER OBJECTIVE OPTIONS

Objectively explain previous budgeting decisions for your division, the rationale behind them, and how your new CEO's priorities might warrant a reassessment of some of those choices. You'll help the boss translate her vision into tangible decisions.

Everybody knows turnover at the top means upheaval. But new research shows just how bad your chances of keeping your job are.

Surviving Your New CEO

by Kevin P. Coyne and Edward J. Coyne, Sr.

The high turnover of CEOs in the United States affects huge numbers of other executives. At the current rate, almost 50% of the largest American firms will have a new CEO within the next four years. Another 25,000 newly acquired companies will also report to new leaders. If you're a senior team member in a firm with a new chief executive, your career now depends on the views of a person you may not know. What's more, your history of successes and failures may not count for much. "Remember that you are starting over," says the internally appointed CEO of a top-ten U.S. insurance company. "No matter what your track record was—hey, it's different now."

Anecdotal stories of what happens to executive teams during CEO transitions are hardly comforting. Firings, organizational reshuffles, and canceled strategies result in abrupt and unwelcome career changes for a host of senior managers. If you're faced with a new CEO, three questions probably loom very large in your mind: How worried should I be? What will happen to me if I do get pushed out? If I stay on, what should I do to maximize the chances of prospering with my new boss?

To answer these questions, we built databases compiling rates of CEO and other high-level executive turnover from 2002 to 2004 at the top 1,000 U.S. companies, as determined by their market cap at the end of 2001 (see the sidebar "About the Research"). We also investigated the most recently reported employment status of executives who had left companies with new CEOs during that time. In addition, we interviewed more than a dozen CEOs who had taken over at least one very large company. Because of the nature of our research, the results we compiled are not absolute. By studying several constellations of data, however, we were able to make inferences about the effects of CEO turnover on executives.

One conclusion, in particular, is striking: Chances are high that executives will find themselves out the door. They're more likely than not to land in a lower position at a new company, to work in a much smaller firm, or to retire altogether. Despite this grim picture, our interviews with CEOs revealed steps you can take to survive and even thrive, depending on how you behave in the first few days, weeks, and months of the new leader's tenure. Taken to heart, this practical advice may help you stay on board.

The Fate of Executives

To see what happens when a new chief executive takes over, we examined the turnover rates of proxy-level managers and other senior leaders in firms that maintained the status quo, promoted someone to CEO from within the company, or hired a new CEO from outside the company. We'll start with proxy-level executives.

First, we looked at companies where the CEO remained constant. Proxy-level senior management turnover under those circumstances had a weighted average of 16% annually. Roughly half (about 8.5%) was voluntary, consisting of people who retired or who faced health or family issues, and that rate appeared to be unaffected by the company's performance. More important is the rate of involuntary turnover, including firings and unplanned early retirements. This averaged about 7.5% overall, with slight differences depending on how well the company was performing.

Next, we looked at the turnover rates for companies in which an internal executive had moved up the corporate ladder to the top spot. In such cases, the news was generally bad: The rate of involuntary turnover jumped up to 12.5%—an increase of about 65%. When we included voluntary turnover as well, the chances of a senior executive's leaving grew to more than one in five.

Then we considered cases in which the new CEO came from outside the company, which generally happens only in midperforming and low-performing firms (high-performing companies almost never replace their CEOs with outsiders). Here, the story gets much worse: Involuntary turnover averaged a whopping 26%—almost four times the rate when the CEO did not change. A further breakdown revealed that the involuntary turnover rate at companies with average performance was 24%, while the rate at poorly performing companies was 31%. Thus, overall, if you are listed in the proxy statement and your company brings in an outside CEO after a year of subpar performance, you have about a two in five chance of leaving your job.

What about other senior executives? The pattern for them was very similar to that for proxy-level executives but slightly less worrisome. On average, turnover among all executive officers rose only a little when the new CEO came from within the company but quite a lot when the CEO came from outside. In the latter situation, more than 25% left within a year, and the odds of an involuntary departure more than doubled (see the exhibit "When a New CEO Enters, Executives Exit").

What happens to executives who leave? Is losing their job, as the cliché goes, "the best thing that ever happened to them"? Do they in fact land on their feet, or do they suffer massive career setbacks?

An executive who has been doing a good job may assume that even if he is asked to leave, he will find an equal or better job elsewhere and so may tend to be relaxed about his fate under the new leader. Unfortunately, the data do not support this optimistic outlook. Of the approximately 400 proxy-level executives who left following the arrival of a new CEO in 2002 or 2003, none moved to a proxy-level job in any large U.S. firm. (To be fair, very few proxy-level executives who departed a company where the CEO remained constant found comparable jobs elsewhere either—but that's cold comfort.)

The broader group of exiting executives generally fared poorly, too. We discovered this by comparing their previous companies and job titles with their new ones. We separated the executives into four categories—*winners, laterals, setbacks,* and *dropouts*—based on the combination of changes in their titles and the size of their employers. For example, a person who acquired a higher title at a slightly smaller firm might be classified as a lateral, but someone who accepted a lesser title at a much smaller firm would be classified as a setback.

Once again, the results are sobering. Winners were rare—only 4% of executives fell into this category. Twenty-eight percent fell into the laterals category (we gave former executives now serving exclusively as board members—almost a third of the laterals—the benefit of the doubt). Three percent were designated setbacks. Fully 65%—the dropouts—moved to sole proprietorships or companies with sales of less than $10 million (22%), or

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disappeared from our source databases altogether (43%). It seems likely that this last group either retired or moved quite far down the corporate ladder (see the exhibit "The Prospering Few").

Younger executives may be tempted to believe that they stand a better chance of surviving than those closer to retirement age. Unfortunately, this is not the case. The overall pattern of success and failure for executives under the age of 52 is strikingly similar to the one for their older colleagues.

Given these outcomes, it's clear that you would do well to try to keep your job under the new CEO—after all, you have nothing to lose. Your survival, however, may depend on whether you take the steps described below.

How to Survive

Every new CEO makes people decisions quickly: On average, the ones we interviewed said they had made final determinations about their teams within 60 days, even when they had publicly vowed to take their time. The statement of one well-known CEO at a $10 billion services company, for example, is typical. When asked at his initial press conference whether there would be changes at the top, he replied that each member is valuable until proven otherwise and that making such a decision always takes a long time. Also typical is what occurred about a month later: He fired the CFO, who had put in a less-than-stellar appearance at an analysts' meeting.

Early impressions count—more than you know or maybe believe they should. New CEOs don't tend to seek input from their predecessors, and they place little weight on the input they do receive. Rather, they rely on their instincts. Since it's relatively rare for a board of directors to restrict a CEO's ability to change the management team, the impression you create with your new boss is critical.

Assuming that no force majeure exists to make your exit inevitable—for example, you're the CFO and the new leader brings along her own financial officer—how can you make a good first impression and maximize your chances of survival and success? We asked our CEO interviewees to look back on the earliest days of their new jobs and recall instances in which an executive's actions or behavior determined his or her fate. Did the executive do something to turn a negative impression into a positive one? Alternatively, did an otherwise good executive do—or fail to do—something that brought about his or her own downfall? We summarize their recommendations below.

Show your goodwill. It may be tempting to wait and see what the new CEO wants of you instead of taking the initiative to talk about your responsibilities, but this is the wrong approach. Most of the CEOs we interviewed indicated that too many executives doomed themselves from the start simply by failing to manifest a willingness to be part of the new team. As the chief executive of a $20 billion industrial company put it, "Managers do not realize how much the CEO is looking for teammates on day one. I am amazed at how few people come through the door and say, 'I want to help. I may not be perfect, but I buy into your vision.' That alone makes a huge difference." Another CEO was even more frank: "Virtually no one came to see me to ask how they could help. It is naive and stupid for managers to hold back and be guarded."

It is also dangerous to assume that your new CEO already understands that you want to cooperate. According to our interviewees, the

About the Research

In early 2006, using the most recent data available, we assembled a database comprising executives who were included in the 2002, 2003, and 2004 proxy statements of the top 1,000 companies (as determined by market cap) in the United States. There were, on average, four executives per organization, excluding the CEO. By comparing the companies' statements from year to year, we were able to learn what effects a change of top leadership in either 2002 or 2003 had on those executives.

We also created a database of changes among all those listed generally as "executive officers" (about ten per company) in the annual reports of a large sample of those firms during the same time period. This allowed us to look at the impact of CEO changes on a larger group of executives.

Next, we used Hoover's to determine the most recently reported employment status of the executives in our sample who had left their companies after a new CEO arrived. This gave us a wealth of statistical information about the aftermath of a shift in top leadership.

To confirm that the results in our sample years were indicative of longer trends, we cross-checked them with earlier academic work on management turnover. Our findings were remarkably consistent in both direction and degree.

We felt that practical advice would enrich our interpretation of the data, so we extensively interviewed more than a dozen professional CEOs who had taken over at least one very large, usually public, company. They represented a broad cross-section of industries, from high tech to financial services to consumer goods, and a wide range of sizes—from several hundred million dollars in sales to more than $25 billion.

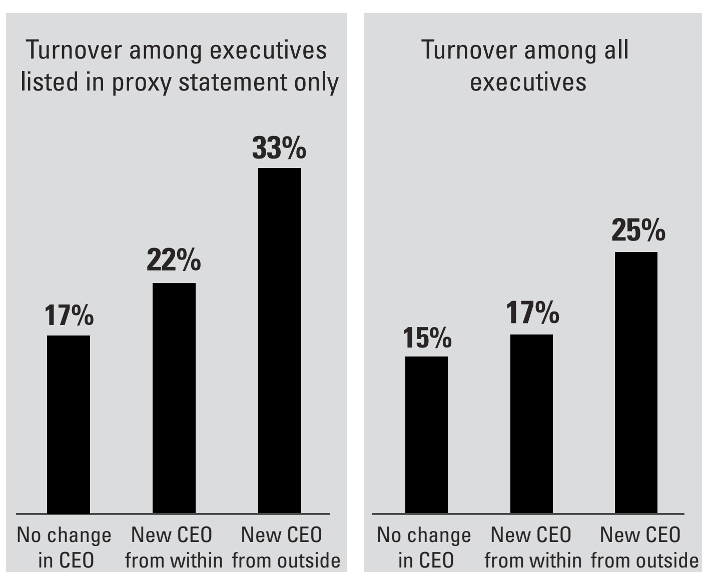
exiting executives who opposed the new CEO's program never once announced their opposition—so the leaders certainly did not equate silence with agreement. In the absence of strong signals, CEOs draw their own conclusions about your views. If those conclusions are negative, their responses can be harsh. "It was clear to me," the head of a $25 billion firm told us, "that the top executives of one of my largest divisions wanted no part of the new way of doing things at the company. They thought they could simply wait this out." He replaced every one of them within a year.

The consensus of our chief executives was clear. If you decide you want to stay, let the CEO know, proactively and without being sycophantic, that you want to be on the team, and follow up with actions that demonstrate your willingness to go along with the program. This is particularly important when the new leader has won an internal "horse race" and you were previously associated with a different candidate. In such a case, it is imperative to explicitly acknowledge that you accept the board's decision and show a constructive attitude. As the winner of an internal competition at a bank with $100 billion in assets put it, "It would only be normal for a new CEO to be a little suspicious of people from other camps. So you must make a gesture—at least congratulate him—and follow up with action. You would be surprised how few people even do that."

Leave your baggage at the door. One CEO of a $3 billion industrial conglomerate offered a list of specific don'ts: "Don't talk about [your compensation], even if you think you were grossly mistreated by the CEO's predecessor. That is not what he wants to deal with yet. Don't talk about your own long-term plans at the company, because your new boss hasn't decided whether you still have a career there yet. Don't raise issues about long-term difficulties you are having with other executives. He does not want to be cornered into choosing one side or the other until he decides what is needed." There will be time for all these things later, he added. "Right now, the CEO will not

When a New CEO Enters, Executives Exit

Annual turnover among senior managers jumps dramatically when a new CEO takes the helm—particularly if he or she comes from outside the firm.



Unweighted percentages based on a study of executive turnover in the top 1,000 U.S. companies, 2002–2004.

appreciate your thrusting your own agenda ahead of his, in any form."

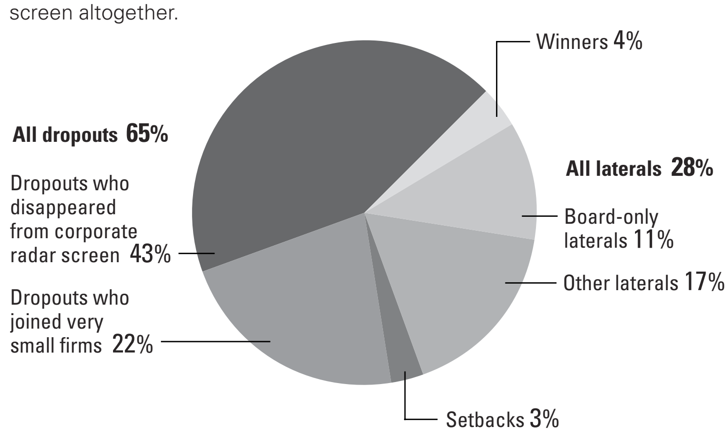
Interestingly, our CEOs were adamant that executives should counsel their spouses—of either gender—to be scrupulously politic as well. Anything negative your spouse says is considered to be an unguardedly accurate reflection of your true views; and given the closeness of executive social circles, gossip about your dissatisfaction with the company can easily filter back to the CEO or the board. This, our interviewees agreed, is the kiss of death.

Study the CEO's working style. Our interviewees also told us that they wanted their direct reports to be sensitive to their working style and then match it. Because it can be difficult to discern your new boss's proclivities simply by observation, it pays to ask about them specifically. One CEO recalled a meeting with a plainspoken executive who company gossips predicted would be an early casualty of the new regime. "He told me he had a reputation for being blunt and then asked how I wanted him to disagree with me," the CEO told us. "I wasn't sure what he meant at first, but he went on to explain: What kind of facts cause me to change my mind—stories from the front line or statistics? Could he disagree in public or only in private? Once he had made his case and failed to convince me, should he try again or just accept that the decision was made? How did I feel about his subordinates or peers knowing he disagreed with something?" By asking intelligent questions about his new boss's working style, the executive prospered throughout the CEO's 12-year tenure.

Moreover, new leaders look for anything that points to potential ethical or behavioral conflicts. If you demonstrate a deaf ear or override the CEO's signals, you can find yourself on the outs. One chief executive fired his head of sales on the basis of such discomfort. "I felt he was just a little sleazy," he told us. "Nothing I could put my finger on, but he somehow made me uncomfortable. I didn't exactly fire him just because of that, but it reduced my tolerance for any other problems. So when another issue came up, I acted right away."

The Prospering Few

Senior managers who leave their jobs following a CEO replacement can be sorted into four categories: *Winners* accept a better position at a similarly sized company or keep the same title but move to a larger company. *Laterals* accept a lesser title at a larger company, maintain their former level at a similarly sized company, or take a better position at a smaller company. *Setbacks* accept a lesser position at a similarly sized or smaller company or keep their former title at a smaller company. *Dropouts* either join an extremely small venture or disappear from the corporate radar screen altogether.



Based on a study of executive turnover in the top 1,000 U.S. companies, 2002–2004.

You would do well to try to keep your job under the new CEO—after all, you have nothing to lose.

What about contacting your counterpart in the CEO's former company or division in an effort to learn more about his tastes? On this point, our interviewees were split. Some felt that questions about communication style were perfectly fair, and the counterpart might even go further than expected and volunteer extremely valuable information that you didn't ask for. Other CEOs felt that this gambit would be too risky because you don't know anything about the personal relationship between the counterpart and the chief executive—or whether they still talk to each other. One particularly suspicious CEO put it this way: "How do you know that this guy isn't already lobbying for your job?"

Understand the CEO's agenda. According to our chief executives, senior managers could be substantially more effective if they simply took a little time to put themselves in the newcomer's shoes and made an effort to appreciate his or her agenda.

First, consider the pressure your new leader is under, especially when it comes to making a strong start. A study of 20 CEOs in 2003 by McKinsey & Company showed that a new chief executive's fate depends heavily on the company's stock performance during his or her first year of tenure. The researchers found that 75% of CEOs whose companies' stock rose during the first 12 months were still in their jobs two years later, but 83% of those whose firms' stock fell were gone by that time. Accordingly, your new boss will be looking for constructive suggestions about actions that he or she can take very quickly. Can you help?

The CEOs we spoke with also pointed out that executives need to confirm their understanding of the new agenda directly with their new boss. While our interviewees understood that their immediate actions sometimes confused their direct reports, they also felt that had the executives made an effort to speak with them about their agendas, the confusion might have been avoided. Even if you've talked to board members about their possible directives for the new CEO, his plans for the company will be influenced by his background, judgments, and expertise, not just the board's disposition. It's important to hear about those ideas directly from him.

Present a realistic and honest game plan. It's only reasonable for a new CEO to expect you to be prepared to discuss the situation in your division and your plans for progress. Make sure you've thought everything through and then present the facts as clearly as possible. Don't make the mistake of sugarcoating them, however—that would be exactly the wrong approach. A too-rosy report will make your boss ask herself, "Who are you trying to kid?" One CEO who didn't receive straight information from a number of direct reports put it quite bluntly: "I don't have time to sort out trust issues. If you don't show me the negatives, I suspect that either you don't know them or that you will try to hide things from me. If you aren't open with me about problems, I assume you are covering up."

Be on your "A" game. Because your new CEO is on trial, too, it's important to help him or her show positive operating results—and soon. You can't afford to allow your organization to slip into paralysis because of the confusion attending a change at the top. This is no time to rest on your laurels. It's critical to demonstrate that you are active and competent and that important projects are moving full-steam ahead.

One new leader described winnowing the wheat from the chaff this way: "We had lots of interactions, including a four-hour executive meeting once a week. I simply observed who made sure to be there, who was prepared, who was action oriented, who identified solutions versus problems, and who actually followed through on what they said they would do." Based on these impressions, the CEO jettisoned almost half his direct reports within a year and another quarter of the original group in the subsequent six months.

A surprising proportion of our CEOs reported cases of executives who, perhaps assuming that they were invaluable, displayed a dismaying lack of political acumen during the critical "honeymoon" weeks. One leader told of a subordinate who took a two-week vacation during the CEO's first month on the job. "The vacation had been scheduled a long time, and I didn't stop him, but I still never forgave him," the CEO said. "It was the dumbest thing he could do." Several of our interviewees ranted about troop absences. "Can you believe he was out playing golf with customers half the time in my first six weeks?" one top executive at a $15 billion consumer products firm raged. "He was never there when I tried to reach him. I developed serious questions about his priorities."

Certainly, customer entertainment is a norm in many industries, but face time is critical when the new boss is forming impressions.

Another reason to be on top of your game during this period is that your CEO may be too busy to coach you. Perhaps it's unfair, but the reality is that your new boss may not bother to tell you when you make a mistake; make two such errors and you are likely to be shown the door. If you do receive a warning, it may be discernible only from the questions you're asked about operational improvements or results. One new CEO, unsatisfied with the answers he was getting, began asking his head of operations more sharply worded questions over time. The responses did not improve, and the CEO dismissed him six weeks later. When asked if he ever sat the executive down and said, "This is not acceptable work," he laughed and replied, "You know, I guess I didn't. It never occurred to me. I was too busy."

The best way to improve your standing quickly is to take on a project—preferably a special one—in which you must interact extensively with the new leader over a short period of time. All our CEOs agreed on this point. When a third-tier executive in a transportation company did an outstanding job of working with the CEO to reform the firm's customer service interface, for example, the chief executive promoted her to the senior management team. Your new boss will appreciate spending time with you, and if his initial impressions of you have been less than stellar, you might be able to turn his feelings around. No one will ever know whether any early casualties could have been avoided with the right exposure.

Offer objective options. Every new CEO has made difficult trade-offs to protect earnings or to invest in spite of earnings impacts; he has made choices between alternative growth paths and budgeting options. Every interviewee liked the idea of an executive objectively explaining previous budgeting decisions for his department, the rationale behind them, and how the new CEO's priorities might warrant a reassessment of some of those choices. An executive who demonstrates the willingness and ability to constructively engage in a discussion of budgetary options, and helps the CEO translate a new vision into tangible decisions, will be very welcome. Tellingly, not one of the CEOs we spoke with had ever worked with one.

Should you also immediately discuss major strategy changes with your new boss? The answer is, "It depends." One CEO thought it would be helpful to hear an unbiased assessment of the division's prospects and receive a thoughtful range of options that he or she might consider. Others appreciated the sentiment, but felt that a new CEO would not yet be ready to assess strategic issues. Regardless of how or when you choose to discuss the alternatives, it is important not to appear self-serving; if you try to persuade the CEO to quickly invest huge amounts in your business, don't expect a warm reception. "I want real choices," one CEO said, "not end runs around the collective judgment of the other executives."

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CEO changes are stressful for all senior executives. The danger of being pushed out is real, and the difficulty of landing on your feet is severe. On the other hand, opportunities are real, too. Many executives have reinvigorated their careers within a company after a change at the top; others have found fulfillment away from the corporate world.

Of course, whether or not you follow the advice of our interviewees is entirely up to you. The former CEO of one of the largest financial institutions in the country perhaps put it best when he said, "Make your personal decision about whether the new guy's style, vision, and business practices are ones you want to live with. Then commit or get out. Otherwise, everyone's life will be hell. And the result will be the same anyway."

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Further Reading

ARTICLES

Seven Surprises for New CEOs
by Michael E. Porter, Jay W. Lorsch, and Nitin Nohria
Harvard Business Review
October 2004
Product no. 807X

Written as a guide for first-time CEOs, this article can help you grasp the challenges facing your new boss. The more you know about your boss's needs, the more effectively you can plan to help him. And that leads to job security for you. Novice CEOs soon realize 1) they have little control over the company's internal operations, 2) overruling senior managers' thoughtful decisions erodes their confidence, 3) others withhold bad news, 4) their every move is scrutinized, 5) they're not the boss; the board of directors is, 6) shareholders may favor actions that don't always strengthen the company's long-term competitive position, and 7) it's difficult to stay humble in the C-suite.

The Leadership Team: Complementary Strengths or Conflicting Agendas?
by Stephen A. Miles and Michael D. Watkins
Harvard Business Review
April 2007
Product no. R0704F

Here's another way to survive your new CEO: determine how you can best complement his or her strengths. Leadership teams are most effective when members play complementary roles along some or all of these dimensions: 1) **Task definition:** divide responsibilities into blocks; for example, the CEO manages the external environment while you manage internal issues. 2) **Cognitive strengths:** if your CEO excels at creating and communicating compelling visions and breakthrough strategies, see if you can drive execution through tactical brilliance and follow-through. 3) **Role definition:** if the new chief is skilled at inspiring employees with his vision, complement his role by providing the operational discipline that will help employees implement that vision.

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And what you should expect in return.

What Your Leader Expects of You

by Larry Bossidy

Included with this full-text *Harvard Business Review* article:

Reprint R0704C

What Your Leader Expects of You

The Idea in Brief

Relationships between bosses and their subordinates figure strongly in any team's success. When those bonds are working as they should, they drive performance and growth over the long haul. Yet while the leadership literature specifies actions bosses should take, it says little about the actions leaders should expect from their followers.

How to promote effective leader-follower relationships in *your* team? Former Allied-Signal CEO Bossidy advises forging a **boss-subordinate compact** that defines a mutual set of crystal-clear expectations.

For example, as a *direct report*, you're expected to offer your creative ideas. Your boss wants to hear them, because even seemingly crazy ideas can spark spectacular successes. As the boss, you're expected to tell your people where the business is going, why, and how they'll benefit if they accomplish key goals. This clarity helps people see how their jobs contribute to the enterprise overall.

When each side fulfills its part of the boss-subordinate compact, your team *and* company benefit.

The Idea in Practice

The boss-subordinate compact spells out additional expectations for both parties:

AS A SUBORDINATE…

- **Get involved.** If you're a manager, step in the moment someone falls behind with his commitments, when an interpersonal conflict crops up, and when a crisis erupts. And deliver bad news to your boss yourself.
- **Collaborate.** Overcome differences between you and others so you work together effectively—even if you don't like each other.
- **Lead initiatives.** Don't be reluctant to associate yourself with unproven ideas, especially those that cross functional or unit boundaries. Raise your hand, and you'll climb the ladder faster than those who don't.
- **Develop your own people.** Take as active an interest in your employees' development as you do in your own—if not more. Go out of your way to criticize and praise your people when they need it. And get directly involved in performance reviews, supplying people with specific, candid, and useful feedback.
- **Stay current.** Regularly read and watch the news. What happens in the world affects what happens with your team, your marketplace, and your competition. Also know what's going on with your customers—how they're changing, how their competition is changing, and how technology and world events are affecting their strategies. Your customer relationships are key assets: bring them to the table.
- **Drive your own growth.** Seek perpetual education and development—not necessarily by going to school but by finding exposure to new people and ideas. Seek feedback from your boss, and accept demanding assignments.
- **Be a player for all seasons.** Demonstrate positive behaviors even during hard times. You'll sustain your ability to motivate and inspire your own people no matter what's going on around you.

AS A LEADER…

- **Define specific goals for your people.** Specify the achievements you expect from your employees as a team and as individuals, as well as what they are going to be measured on over a given period. You'll help them decide where to invest their energy and time.
- **Be available.** If you expect your people to stay up to date and keep you informed about what's going on, be accessible when they need to see you. And don't come down on them if they bring you bad news.
- **Compensate employees fairly.** Ensure that people understand how the compensation system works, and that they're rewarded for specific contributions to goals you've laid out.

And what you should expect in return.

What Your Leader Expects of You

by Larry Bossidy

It's well understood that the relationships between a boss and his or her direct reports are important ones and figure strongly in the success of a team. Yet while much has been written about character traits and issues of openness and trust, the leadership literature has had strikingly little to say about what a leader should be able to expect from his people. Over the years, I've observed that certain behaviors, on the part of both the subordinate and the boss, are conducive to productive and rewarding relationships. Indeed, I'll favor someone who exhibits the behaviors I expect over someone who doesn't, even if the latter's numbers are slightly better, because I know the former has the potential to contribute more to the organization over time.

In sharing the lists below—what I've come to think of as the CEO compact, a set of expectations both from and for a leader—I hope that I can help other leaders and teams improve their relationships and, as a consequence, their performance.

What I Expect from My Direct Reports

The following behaviors are powerful individually, but taken together they drive performance and growth in a way that has a significant effect on long-term results.

Get involved. Good executives know how to delegate. But more important, they know when a situation calls for their immediate involvement, whether it's in redirecting resources to a product that's suddenly taking off in the market, helping to resolve a breakdown in quality, or visiting a plant to discover why its productivity has faltered. There's no excuse for not taking responsibility when you see a problem growing. I count on my reports to take the blame for things that go wrong and give credit for positive developments to their employees. And I expect them to have the courage to deliver bad news. If you've got to close a plant, go to the plant and tell those employees yourself.

While there are no hard-and-fast rules about when your involvement will have the most impact on the business (that's a judgment call), I've found that good managers generally step in under three types of circumstances: when somebody is falling behind in her commitments; when important personnel matters arise, particularly if there is conflict; and in a crisis. Just because you're an executive vice president doesn't mean you don't have to work anymore.

Generate ideas. A common frustration in corporate America is a lack of ideas. A person who is innovative and creative is a pearl to be treasured. Unfortunately, idea people are not generally applauded in organizations. They're frequently at the periphery, because people think they're off the wall. But I want to hear what they have to say; it's my job to sift through ideas and decide which ones have merit. Often the best ideas sound crazy at first. For instance, when I got to AlliedSignal, people were very dispirited by the company's lagging performance, and I was looking for a way to raise morale. Somebody suggested that we hire a band, put out hamburgers and hot dogs at midday, and make lots of noise, so the employees would feel there was a reason for optimism. A lot of people said it was corny and wouldn't work—but it did, and it became an annual event. Another example: When sales of a particular liquid we offered declined, one manager proposed we paint the canisters bright colors instead of the industrial gray we had been using. The idea was met with derision, but we tried it, and it made a difference. Sales recovered.

As for more mainstream executives, they can come up with good ideas too, but often they are reluctant to speak out. I'm willing to give them a little push. If I'm in a meeting and people aren't volunteering anything on a controversial subject, I tell them we're going to be there for a while. The subsequent silence gets uncomfortable—eventually enough so that people start to talk. In one case, I came to a meeting to discuss a management problem we'd noticed in a customer organization. I listed three or four reasons why it was important for me to speak with the customer's CEO about it. People resisted, but they weren't offering any alternatives. We waited for quite a while, and finally somebody spoke up. After some dialogue we decided that a person lower in our organization would speak to a person lower in the customer organization, rather than risk the flap that would come out of elevating the issue to the highest level.

Be willing to collaborate. It's surprising how many people still resist collaboration or sharing credit, even though we know how much more we can achieve when we bring everyone to the table at once. There can be very practical reasons for this—for example, it may not be in someone's financial interest to cooperate. But I expect people to trust that I will notice when they take an action that, say, costs their unit \$2 million in the short run but will benefit the company overall in the long run.

This is something I take very seriously. Some years ago I was running a big business that was functionally structured. The person who ran manufacturing and the one who ran marketing and sales did not get along well; they just wouldn't communicate. And because they didn't work together well, neither did their organizations. As a consequence, our inventories were always out of balance. The three of us met, and I told them that it didn't matter whether they liked each other or not, but the way they worked together had to change. They left the meeting with instructions to overcome their differences, but three months later, nothing had changed. I called them back into my office and gave them both separation packages on the spot, telling them that although I thought they were good performers individually, their failure to collaborate was hurting the enterprise. An imposing guard was waiting at the door to take their badges and escort them from the plant.

At about 3:00 that afternoon the telephone rang. It was the two of them, asking to gain entrance to the plant. The first thing they said upon arrival was "We get it." They came back to work, and I don't know that they ever learned to like each other, but they learned to work well together—and more important, so did their organizations. Our overall performance improved considerably.

Be willing to lead initiatives. There's no way of knowing how a challenging new project will turn out, so people are often reluctant to be associated with an untested idea, particularly if it crosses functional or unit boundaries. They duck under the radar screen rather than risk going up in flames. But I want people to raise their hands. When we started with Six Sigma at AlliedSignal, some people didn't like it or weren't sure about it, but I'll never forget

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I expect people to read, to watch the news—not just because it makes them more interesting but because what happens in the world affects what happens to us, to our marketplace, and to our competition.

the people who took a chance, who assumed leadership roles even though they didn't know much about the program. That's an attribute I prize in my employees. The ones who led the Six Sigma efforts were told that their careers would be accelerated if they succeeded, and those who made a contribution beyond unit boundaries did in fact climb the ladder faster than those who didn't.

Develop leaders as you develop. Too many people are selfish about their development. I want my direct reports to take as much interest in their subordinates' development as they do in their own—if not more. Early in my career, when I was at GE, I had a boss, a midlevel manager, who was a good performer but knew that he had gone as far as he was going to go. He called me in one day and said he felt I had a chance to be a lot better than he was and that he was going to do everything he could to help me reach my potential. From that moment on, he was more interested in my development than in his own. He went out of his way to criticize or praise me when I needed it. I'll never forget him; he played a very meaningful role in my career.

A strong signal that executives are committed to developing their direct reports is involvement in performance appraisals. I expect my people to be personally involved in reviews—not to hand them off to someone in Human Resources—and to supply their employees with specific and useful feedback. When I was at GE and Allied, I regularly reviewed the goals my direct reports were setting for their subordinates. If they were vague, I asked them to keep working until they'd achieved an appropriate level of specificity. For instance, someone might list "improve interpersonal skills" when what he really meant was "be more willing to collaborate." The goals have to be specific enough that people know how to approach the issue and whether or not they've made progress. "Improve interpersonal skills" doesn't tell an employee what to do.

Stay current. There's nothing more depressing than sitting in a business meeting with people who don't know what's going on in the world. I expect people to read, to watch the news—not just because it makes them more interesting but because what happens in the world affects what happens to us, to our marketplace, and to our competition. We make decisions in the context of world events, so people need to pay attention to them.

I also expect people to know what's going on with customers—how they're changing, how their competition is changing, how technology and world events are affecting their strategies. Customer relationships are an asset; people should bring them to the table.

Anticipate. One consequence of failing to stay current is that you risk a setback you ought to have anticipated—and you either recover more slowly than you should or never recover at all. Political events often trigger strategic threats. I'm a board member at Merck. With the Democrats in control of Congress, Merck is thinking about how to address that party's longtime platform on pharmaceutical pricing. It would be foolish to wait for new regulations; far better to get ready now.

A talented executive who once worked for me was perpetually caught off guard by adverse events—a new competitor, a negative regulatory development, an unforeseen customer problem. He worked very hard and he was smart, but he was frenetic and reactive, and never looked up to see the iceberg ahead of him. He even brought in a consultant to help him think through where the business would be in a couple of years, which culminated in a nice book that went up on the shelf while he went right back to his in-box. Eventually I began to spend the first 20 minutes of every meeting with him asking what he thought was about to happen. We went over competitors, customers, the regulatory environment—anything that might have an impact on the business. He improved, and he went on to become a CEO at another company, but anticipating change remained a struggle for him. The fact is, if it isn't in your DNA to anticipate, you don't. You can move the bar a little and find ways to compensate, but you can't change your nature. The people who are constantly looking around corners are best suited to leadership positions.

Drive your own growth. I expect people to seek perpetual education and development—not necessarily by going back to school but by exposing themselves to new people and ideas. Ask your boss for feedback, and if he or she isn't willing to give it, then turn to peers and subordinates, or find a mentor. Accept demanding assignments; you learn much more from them than you do from cushy projects.

If it isn't in your DNA to anticipate, you don't. You can find ways to compensate, but you can't change your nature.

This takes some courage, because the outcome may not be as good, but it demonstrates that you're interested in your own development. It also prepares you for difficult challenges in the future. I'll promote somebody who has stretched his limits in tough assignments with sometimes disappointing results over somebody who met his targets by taking less taxing roles.

Be a player for all seasons. It's one thing to sustain the behaviors I've described in good times. It's easy to collaborate, to stick up your hand, to offer ideas, when sales and earnings are growing by 20% a year. But how do you behave when they're in decline? I expect positive behaviors no matter what, and people who can live up to that stand out in my eyes. I can think of several people who were leading businesses, beating their forecasts, able to attract quality people—as long as the market was good. In a downturn they'd lose their ability to motivate and inspire people, their self-confidence would begin to wane, and I'd have to take them off the job.

On the flip side, some people are well suited to containing costs and keeping a business afloat when opportunities for growth are minimal, but are so perpetually paranoid that they can't take advantage of an upswing. I always look for someone who can thrive in either circumstance, and I'm amazed at the number of people who can't.

What My Direct Reports Can Expect from Me

The CEO compact has two sides, of course, and I know my subordinates will do their jobs most effectively if they can expect a few things of me as well.

Provide clarity of direction. If I'm the leader, it's my job to communicate clearly where the business is going, why, and what the benefits will be if we accomplish what we set out to achieve. Every quarter the boss should get up in front of her team and explain the financial results and the progress of any operational or strategic initiative. This provides a crucial context for the work. If I simply tell someone, for instance, that he needs to improve cash flow, that's not terribly motivating. If I show him the actual numbers, he has some perspective on why and to what degree cash flow is an issue, and a better sense of how his job contributes to the enterprise as a whole.

Set goals and objectives. An executive may assume he's doing a good job, but he can't know for sure that his boss would agree if he has no specific goals and objectives to strive for. In addition to team goals, each person should know exactly what individual goals he or she is going to be measured on over a given period and where to invest precious time.

When goals and objectives are clear, promotion and bonus decisions can be based on merit. Morale suffers if people think there's some mystery to the process, some behind-the-scenes explanation. They're much happier and more comfortable when they know they're working in a meritocracy. As a CEO, I never felt uncomfortable when somebody came to ask me why I had put one person into a role rather than another. If I couldn't explain my decision, then shame on me.

Give frequent, specific, and immediate feedback. When I give feedback, I'm signaling to people that I'm interested in their growth and that I see a path for their future. Employees shouldn't have to wait for an annual review to learn how they are doing, and if the feedback is going to help drive their growth, then it needs to be as specific as possible. I hate it when a boss says simply, "Great job, Joe." Joe may have done a great job, but possibly he could have done even better, and if I point out how, maybe he will do better next time. If Joe gives a presentation, I owe him feedback right on the spot. I might say, "You came prepared, you seem to know your stuff, but I heard five 'um's in the first two minutes, and that distracts your audience." If he did particularly well, it's helpful to point out why, so he can repeat the behavior: "Great job, Joe, because you did your homework and made your point clearly in less than five minutes."

When the annual review comes, it should be simple. Forget HR jargon that attempts to disguise reality. An effective performance review tells the employee what he does well, what he could do better, and how he and his boss can work together to fill any gaps—no complicated forms or ambiguous language. (See the exhibit "A Simple Assessment.")

Be decisive and timely. Decisiveness isn't useful if it isn't timely. People should expect me to make decisions as soon as I have the information I need, and not to be careless or impetuous but to give clear, unambiguous answers. When a big contract is on the line,

A Simple Assessment

I consult to a number of companies, and the first thing I look at is performance appraisals. Often I'll find three pages of the vaguest, most uncommunicative language imaginable. People write and write and write—and say nothing. Appraisals ought to be half a page that says what your boss likes, what you can improve, and what the two of you are going to do about it—simple and to the point, like the form shown here.

PERFORMANCE EVALUATION

Name: Joe Swift

Date: 6/09/07

What I Like	What Can Improve
Ambitious	Inconsistent communicator
Team player	Impetuous
Volunteers to lead initiatives	Often fails to anticipate
Innovative	Vague in appraising performance of others
Meets commitments	
Interested in the development of others	
Stays current	
Quashes bureaucracy	

Comments

Joe, it's great to have you and your talents, but we need to decide how to progress on your development. Let's meet on Tuesday, after you've had a chance to consider an action plan.

As a CEO, I never felt uncomfortable when somebody came to ask me why I had put one person into a role rather than another. If I couldn't explain my decision, then shame on me.

the time for the boss to pitch in is not the last minute, it's a month earlier. At Allied, a salesperson who was working on a deal with Boeing, say, might ask me to place a phone call—not because I could sell the job any better but because I represented the organization. I shouldn't be making the call at the eleventh hour; I should make it well before the deal is set to close, when I can have more impact.

The problem is, people are often reluctant to get the boss involved for fear that asking for help will be perceived as a sign of weakness. They end up asking just when they think they're going to lose the deal. I consider asking for help a sign not of weakness but of self-confidence.

Be accessible. If I expect people to keep me informed about what's going on, then I need to be available when they need to see me. It's certainly in my interest. Frequently a boss doesn't learn that someone is leaving the company until he's about to walk out the door. If she'd known the employee was contemplating a move a month earlier, she could have taken him to lunch, talked to him about opportunities within the company, and maybe changed his mind.

And people should know that I'm not going to come down on them if they bring me bad news. In fact, I'm quite aware that if they're coming to me, more often than not the news is bad. Most people can handle good news on their own; they turn to the boss when they need some help.

Demonstrate honesty and candor. People spend far too much time figuring out how to tell others something unpleasant—how to deliver the news in a diplomatic way. This is common in performance appraisals. When I visit companies that I consult to, the first thing I ask leaders for is copies of their appraisals of subordinates, and I am continually amazed at the avoidance in their language. Look at the difference between vague and specific characterizations:

Vague / Specific
Hard worker / Results oriented
Attentive / Anticipatory
Detail oriented / Analytic problem solver
Good listener / Great communicator
Watches over his people / Holds people accountable
Amiable / Team player

The language on the left means nothing. Masking the truth doesn't help people develop. If I can say something sensitively and diplomatically, so much the better. But if I can't, I owe it to my employee to say it anyway.

Offer an equitable compensation plan. People want to be compensated fairly, in a way that reflects their contributions, and they want to understand how the compensation plan works. Employees should be able to estimate the size of their bonuses at the end of the year, because if the boss has also set clear goals and objectives, they know whether they have lived up to them, and they have a good idea of how the company did overall. The process shouldn't be shrouded in mystery or overly complicated.

• • •

Much of what I've described here has to do with keeping bureaucracy at bay. Bureaucracy is self-perpetuating, and cutting through it is a constant battle; because it's a fact of organizations, you can never truly get rid of it. You can tell it's creeping in when decision making slows to a crawl, or when the battery of forms needed for performance reviews begins to obscure meaningful feedback. Maintaining these behaviors helps to show when red tape is encroaching on productivity—and helps to minimize the effect.

Of course, it's much easier to live up to the first of the lists I've outlined if you have a boss who lives up to the second. But you won't always be blessed with such a boss. If you aren't, the best thing to do is create a CEO compact with your own subordinates, and demonstrate by example. These behaviors will make you a better employee and may help you get promoted. They will certainly serve you well should you leave for another job. The purpose, after all, is to improve team and company performance, which should accelerate your own growth.

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Further Reading

ARTICLES

Why Should Anyone Be Led by You?
by Rob Goffee and Gareth Jones
Harvard Business Review
January 2001
Product no. 5890

This article focuses on the boss side of the boss-subordinate equation. The authors identify four behaviors that, when demonstrated by leaders, will cause people to want to follow them: 1) Reveal nonfatal flaws to underscore your approachability and build solidarity with followers. 2) Hone your ability to collect and interpret subtle interpersonal cues, then validate your perceptions with a trusted advisor. 3) Openly and directly explain the reasoning behind painful decisions. 4) Differentiate yourself from followers just enough to signal your status as a leader but not enough to lose contact with followers.

Harvard Business Review
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Best of HBR 1980

If you forge ties with your boss based on mutual respect and understanding, both of you will be more effective.

Managing Your Boss

by John J. Gabarro and John P. Kotter

Included with this full-text *Harvard Business Review* article:

Reprint R0501J

Managing Your Boss

The Idea in Brief

Managing our *bosses*? Isn't that merely manipulation? Corporate cozying up? Out-and-out apple polishing? In fact, we manage our bosses for very good reasons: to get resources to do the best job, not only for ourselves, but for our bosses and our companies as well. We actively pursue a healthy and productive working relationship based on mutual respect and understanding—understanding our own and our bosses' strengths, weaknesses, goals, work styles, and needs. Here's what can happen when we don't:

▶ Example:

A new president with a formal work style replaced someone who'd been looser, more intuitive. The new president preferred written reports and structured meetings. One of his managers found this too controlling. He seldom sent background information, and was often blindsided by unanticipated questions. His boss found their meetings inefficient and frustrating. The manager had to resign.

In contrast, here's how another manager's sensitivity to this same boss's style really paid off:

▶ Example:

This manager identified the kinds and frequency of information the president wanted. He sent ahead background reports and discussion agendas. The result? Highly productive meetings and even more innovative problem solving than with his previous boss.

Managers often don't realize how much their bosses depend on them. They need cooperation, reliability, and honesty from their direct reports. Many managers also don't realize how much *they* depend on their bosses—for links to the rest of the organization, for setting priorities, and for obtaining critical resources.

Recognizing this mutual dependence, effective managers seek out information about the boss's concerns and are sensitive to his work style. They also understand how their own attitudes toward authority can sabotage the relationship. Some see the boss as the enemy and fight him at every turn; others are overly compliant, viewing the boss as an all-wise parent.

The Idea in Practice

You can benefit from this mutual dependence and develop a very productive relationship with your boss by focusing on:

- **compatible work styles**. Bosses process information differently. "Listeners" prefer to be briefed in person so they can ask questions. "Readers" want to process written information first, and then meet to discuss.

Decision-making styles also vary. Some bosses are highly involved. Touch base with them frequently. Others prefer to delegate. Inform them about important decisions you've already made.

- **mutual expectations**. Don't passively assume you know what the boss expects. Find out. With some bosses, write detailed outlines of your work for their approval. With others, carefully planned discussions are key.

Also, communicate *your* expectations to find out if they are realistic. Persuade the boss to accept the most important ones.

- **information flow**. Managers typically underestimate what their bosses need to know—and what they *do* know. Keep the boss informed through processes that fit his style. Be forthright about both good and bad news.
- **dependability and honesty**. Trustworthy subordinates only make promises they can keep and don't shade the truth or play down difficult issues.
- **good use of time and resources**. Don't waste your boss's time with trivial issues. Selectively draw on his time and resources to meet the most important goals—yours, his, and the company's.

If you forge ties with your boss based on mutual respect and understanding, both of you will be more effective.

BEST OF HBR 1980

Managing Your Boss

by John J. Gabarro and John P. Kotter

A quarter-century ago, John Gabarro and John Kotter introduced a powerful new lens through which to view the manager–boss relationship: one that recognized the mutual dependence of the participants.

The fact is, bosses need cooperation, reliability, and honesty from their direct reports. Managers, for their part, rely on bosses for making connections with the rest of the company, for setting priorities, and for obtaining critical resources. If the relationship between you and your boss is rocky, then it is you who must begin to manage it. When you take the time to cultivate a productive working relationship—by understanding your boss's strengths and weaknesses, priorities, and work style—everyone wins.

In the 25 years since it was published, this article has truly improved the practice of management. Its simple yet powerful advice has changed the way people work, enhanced countless manager–boss relationships, and improved the performance of corporations in ways that show up on the bottom line. Over the years, it has become a staple at business schools and corporate training programs worldwide.

To many people, the phrase "managing your boss" may sound unusual or suspicious. Because of the traditional top-down emphasis in most organizations, it is not obvious why you need to manage relationships upward—unless, of course, you would do so for personal or political reasons. But we are not referring to political maneuvering or to apple polishing. We are using the term to mean the process of consciously working with your superior to obtain the best possible results for you, your boss, and the company.

Recent studies suggest that effective managers take time and effort to manage not only relationships with their subordinates but also those with their bosses. These studies also show that this essential aspect of management is sometimes ignored by otherwise talented and aggressive managers. Indeed, some managers who actively and effectively supervise subordinates, products, markets, and technologies assume an almost passively reactive stance vis-à-vis their bosses. Such a stance almost always hurts them and their companies.

If you doubt the importance of managing your relationship with your boss or how difficult it is to do so effectively, consider for a moment the following sad but telling story:

Frank Gibbons was an acknowledged manufacturing genius in his industry and, by any profitability standard, a very effective executive. In 1973, his strengths propelled him into the position of vice president of manufacturing for the second largest and most profitable company in its industry. Gibbons was not, however, a good manager of people. He knew this, as did others in his company and his industry. Recognizing this weakness, the president made sure that those who reported to Gibbons were good at working with people and could compensate for his limitations. The arrangement worked well.

In 1975, Philip Bonnevie was promoted into a position reporting to Gibbons. In keeping with the previous pattern, the president selected Bonnevie because he had an excellent track record and a reputation for being good with people. In making that selection, however, the president neglected to notice that, in his rapid rise through the organization, Bonnevie had always had good-to-excellent bosses. He had never been forced to manage a relationship with a difficult boss. In retrospect, Bonnevie admits he had never thought that managing his boss was a part of his job.

Fourteen months after he started working for Gibbons, Bonnevie was fired. During that same quarter, the company reported a net loss for the first time in seven years. Many of those who were close to these events say that they don't really understand what happened. This much is known, however: While the company was bringing out a major new product—a process that required sales, engineering, and manufacturing groups to coordinate decisions very carefully—a whole series of misunderstandings and bad feelings developed between Gibbons and Bonnevie.

For example, Bonnevie claims Gibbons was aware of and had accepted Bonnevie's decision to use a new type of machinery to make the new product; Gibbons swears he did not. Furthermore, Gibbons claims he made it clear to Bonnevie that the introduction of the product was too important to the company in the short run to take any major risks.

As a result of such misunderstandings, planning went awry: A new manufacturing plant was built that could not produce the new product designed by engineering, in the volume desired by sales, at a cost agreed on by the executive committee. Gibbons blamed Bonnevie for the mistake. Bonnevie blamed Gibbons.

Of course, one could argue that the problem here was caused by Gibbons's inability to manage his subordinates. But one can make just as strong a case that the problem was related to Bonnevie's inability to manage his boss. Remember, Gibbons was not having difficulty with any other subordinates. Moreover, given the personal price paid by Bonnevie (being fired and having his reputation within the industry severely tarnished), there was little consolation in saying the problem was that Gibbons was poor at managing subordinates. Everyone already knew that.

We believe that the situation could have turned out differently had Bonnevie been more adept at understanding Gibbons and at managing his relationship with him. In this case, an inability to manage upward was unusually costly. The company lost \$2 million to \$5 million, and Bonnevie's career was, at least temporarily, disrupted. Many less costly cases similar to this probably occur regularly in all major corporations, and the cumulative effect can be very destructive.

Misreading the Boss–Subordinate Relationship

People often dismiss stories like the one we just related as being merely cases of personality conflict. Because two people can on occasion be psychologically or temperamentally incapable of working together, this can be an apt description. But more often, we have found, a personality conflict is only a part of the problem—sometimes a very small part.

Bonnevie did not just have a different personality from Gibbons, he also made or had unrealistic assumptions and expectations about the very nature of boss–subordinate relationships. Specifically, he did not recognize that his relationship to Gibbons involved *mutual dependence* between two *fallible* human beings. Failing to recognize this, a manager typically either avoids trying to manage his or her relationship with a boss or manages it ineffectively.

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At a minimum, you need to appreciate your boss's goals and pressures. Without this information, you are flying blind, and problems are inevitable.

Some people behave as if their bosses were not very dependent on them. They fail to see how much the boss needs their help and cooperation to do his or her job effectively. These people refuse to acknowledge that the boss can be severely hurt by their actions and needs cooperation, dependability, and honesty from them.

Some people see themselves as not very dependent on their bosses. They gloss over how much help and information they need from the boss in order to perform their own jobs well. This superficial view is particularly damaging when a manager's job and decisions affect other parts of the organization, as was the case in Bonnevie's situation. A manager's immediate boss can play a critical role in linking the manager to the rest of the organization, making sure the manager's priorities are consistent with organizational needs, and in securing the resources the manager needs to perform well. Yet some managers need to see themselves as practically self-sufficient, as not needing the critical information and resources a boss can supply.

Many managers, like Bonnevie, assume that the boss will magically know what information or help their subordinates need and provide it to them. Certainly, some bosses do an excellent job of caring for their subordinates in this way, but for a manager to expect that from all bosses is dangerously unrealistic. A more reasonable expectation for managers to have is that modest help will be forthcoming. After all, bosses are only human. Most really effective managers accept this fact and assume primary responsibility for their own careers and development. They make a point of seeking the information and help they need to do a job instead of waiting for their bosses to provide it.

In light of the foregoing, it seems to us that managing a situation of mutual dependence among fallible human beings requires the following:

1. You have a good understanding of the other person and yourself, especially regarding strengths, weaknesses, work styles, and needs.

2. You use this information to develop and manage a healthy working relationship—one that is compatible with both people's work styles and assets, is characterized by mutual expectations, and meets the most critical needs of the other person.

This combination is essentially what we have found highly effective managers doing.

Understanding the Boss

Managing your boss requires that you gain an understanding of the boss and his or her context, as well as your own situation. All managers do this to some degree, but many are not thorough enough.

At a minimum, you need to appreciate your boss's goals and pressures, his or her strengths and weaknesses. What are your boss's organizational and personal objectives, and what are his or her pressures, especially those from his or her own boss and others at the same level? What are your boss's long suits and blind spots? What is the preferred style of working? Does your boss like to get information through memos, formal meetings, or phone calls? Does he or she thrive on conflict or try to minimize it? Without this information, a manager is flying blind when dealing with the boss, and unnecessary conflicts, misunderstandings, and problems are inevitable.

In one situation we studied, a top-notch marketing manager with a superior performance record was hired into a company as a vice president "to straighten out the marketing and sales problems." The company, which was having financial difficulties, had recently been acquired by a larger corporation. The president was eager to turn it around and gave the new marketing vice president free rein—at least initially. Based on his previous experience, the new vice president correctly diagnosed that greater market share was needed for the company and that strong product management was required to bring that about. Following that logic, he made a number of pricing decisions aimed at increasing high-volume business.

When margins declined and the financial situation did not improve, however, the president increased pressure on the new vice president. Believing that the situation would eventually correct itself as the company gained back market share, the vice president resisted the pressure.

When by the second quarter, margins and profits had still failed to improve, the president took direct control over all pricing decisions and put all items on a set level of margin, regardless of volume. The new vice president began to find himself shut out by the president, and their relationship deteriorated. In fact, the vice president found the president's behavior bizarre. Unfortunately, the president's new pricing scheme also failed to increase margins, and by the fourth quarter, both the president and the vice president were fired.

What the new vice president had not known until it was too late was that improving marketing and sales had been only *one* of the president's goals. His most immediate goal had been to make the company more profitable—quickly.

Nor had the new vice president known that his boss was invested in this short-term priority for personal as well as business reasons. The president had been a strong advocate of the acquisition within the parent company, and his personal credibility was at stake.

The vice president made three basic errors. He took information supplied to him at face value, he made assumptions in areas where he had no information, and—what was most damaging—he never actively tried to clarify what his boss's objectives were. As a result, he ended up taking actions that were actually at odds with the president's priorities and objectives.

Managers who work effectively with their bosses do not behave this way. They seek out information about the boss's goals and problems and pressures. They are alert for opportunities to question the boss and others around him or her to test their assumptions. They pay attention to clues in the boss's behavior. Although it is imperative that they do this especially when they begin working with a new boss, effective managers also do this on an ongoing basis because they recognize that priorities and concerns change.

Being sensitive to a boss's work style can be crucial, especially when the boss is new. For example, a new president who was organized and formal in his approach replaced a man who was informal and intuitive. The new president worked best when he had written reports. He also preferred formal meetings with set agendas.

One of his division managers realized this need and worked with the new president to identify the kinds and frequency of information and reports that the president wanted. This manager also made a point of sending background information and brief agendas ahead of time for their discussions. He found that with this type of preparation their meetings were very useful. Another interesting result was, he found that with adequate preparation his new boss was even more effective at brainstorming problems than his more informal and intuitive predecessor had been.

In contrast, another division manager never fully understood how the new boss's work style differed from that of his predecessor. To the degree that he did sense it, he experienced it as too much control. As a result, he seldom sent the new president the background information he needed, and the president never felt fully prepared for meetings with the manager. In fact, the president spent much of the time when they met trying to get information that he felt he should have had earlier. The boss experienced these meetings as frustrating and inefficient, and the subordinate often found himself thrown off guard by the questions that the president asked. Ultimately, this division manager resigned.

The difference between the two division managers just described was not so much one of ability or even adaptability. Rather, one of the men was more sensitive to his boss's work style and to the implications of his boss's needs than the other was.

Understanding Yourself

The boss is only one-half of the relationship. You are the other half, as well as the part over which you have more direct control. Developing an effective working relationship requires, then, that you know your own needs, strengths and weaknesses, and personal style.

You are not going to change either your basic personality structure or that of your boss. But you can become aware of what it is about you that impedes or facilitates working with your boss and, with that awareness, take actions that make the relationship more effective.

For example, in one case we observed, a manager and his superior ran into problems whenever they disagreed. The boss's typical response was to harden his position and overstate it. The manager's reaction was then to raise the ante and intensify the forcefulness of his argument. In doing this, he channeled his anger into sharpening his attacks on the logical fallacies he saw in his boss's assumptions. His boss in turn would become even more adamant about holding his original position. Predictably, this escalating cycle resulted in the subordinate avoiding whenever possible any topic of potential conflict with his boss.

In discussing this problem with his peers, the manager discovered that his reaction to the boss was typical of how he generally reacted to counterarguments—but with a difference. His response would overwhelm his peers but not his boss. Because his attempts to discuss this problem with his boss were unsuccessful, he concluded that the only way to change the situation was to deal with his own instinctive reactions. Whenever the two reached an impasse, he would check his own impatience and suggest that they break up and think about it before getting together again. Usually when they renewed their discussion, they had digested their differences and were more able to work them through.

Gaining this level of self-awareness and acting on it are difficult but not impossible. For example, by reflecting over his past experiences, a young manager learned that he was not very good at dealing with difficult and emotional issues where people were involved. Because he disliked those issues and realized that his instinctive responses to them were seldom very good, he developed a habit of touching base with his boss whenever such a problem arose. Their discussions always surfaced ideas and approaches the manager had not considered. In many cases, they also identified specific actions the boss could take to help.

Although a superior–subordinate relationship is one of mutual dependence, it is also one in which the subordinate is typically more dependent on the boss than the other way around. This dependence inevitably results in the subordinate feeling a certain degree of frustration, sometimes anger, when his actions or options are constrained by his boss's decisions. This is a normal part of life and occurs in the best of relationships. The way in which a manager handles these frustrations largely depends on his or her predisposition toward dependence on authority figures.

Some people's instinctive reaction under these circumstances is to resent the boss's authority and to rebel against the boss's decisions. Sometimes a person will escalate a conflict beyond what is appropriate. Seeing the boss almost as an institutional enemy, this type of manager will often, without being conscious of it, fight with the boss just for the sake of fighting. The subordinate's reactions to being constrained are usually strong and sometimes impulsive. He or she sees the boss as someone who, by virtue of the role, is a hindrance to progress, an obstacle to be circumvented or at best tolerated.

Psychologists call this pattern of reactions counterdependent behavior. Although a counterdependent person is difficult for most superiors to manage and usually has a history of strained relationships with superiors, this sort of manager is apt to have even more trouble with a boss who tends to be directive or authoritarian. When the manager acts on his or her negative feelings, often in subtle and nonverbal ways, the boss sometimes does become the enemy. Sensing the subordinate's latent hostility, the boss will lose trust in the subordinate or his or her judgment and then behave even less openly.

Paradoxically, a manager with this type of predisposition is often a good manager of his or her own people. He or she will many times go out of the way to get support for them and will not hesitate to go to bat for them.

At the other extreme are managers who swallow their anger and behave in a very compliant fashion when the boss makes what they know to be a poor decision. These managers will agree with the boss even when a disagreement might be welcome or when the boss would easily alter a decision if given more information. Because they bear no relationship to the specific situation at hand, their responses are as much an overreaction as those of counterdependent managers. Instead of seeing the boss as an enemy, these people deny their anger—the other extreme—and tend to see the boss as if he or she were an all-wise parent who should know best, should take responsibility for their careers, train them in all they need to know, and protect them from overly ambitious peers.

Both counterdependence and overdependence lead managers to hold unrealistic views of what a boss is. Both views ignore that bosses, like everyone else, are imperfect and fallible. They don't have unlimited time, encyclopedic knowledge, or extrasensory perception; nor are they evil enemies. They have their own pressures and concerns that are sometimes at odds with the wishes of the subordinate—and often for good reason.

Altering predispositions toward authority,

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especially at the extremes, is almost impossible without intensive psychotherapy (psychoanalytic theory and research suggest that such predispositions are deeply rooted in a person's personality and upbringing). However, an awareness of these extremes and the range between them can be very useful in understanding where your own predispositions fall and what the implications are for how you tend to behave in relation to your boss.

If you believe, on the one hand, that you have some tendencies toward counterdependence, you can understand and even predict what your reactions and overreactions are likely to be. If, on the other hand, you believe you have some tendencies toward overdependence, you might question the extent to which your overcompliance or inability to confront real differences may be making both you and your boss less effective.

Developing and Managing the Relationship

With a clear understanding of both your boss and yourself, you can *usually* establish a way of working together that fits both of you, that is characterized by unambiguous mutual expectations, and that helps you both be more productive and effective. The "Checklist for Managing Your Boss" summarizes some things such a relationship consists of. Following are a few more.

Checklist for Managing Your Boss

Make sure you understand your boss and his or her context, including:

- ❑ Goals and objectives
- ❑ Pressures
- ❑ Strengths, weaknesses, blind spots
- ❑ Preferred work style

Assess yourself and your needs, including:

- ❑ Strengths and weaknesses
- ❑ Personal style
- ❑ Predisposition toward dependence on authority figures

Develop and maintain a relationship that:

- ❑ Fits both your needs and styles
- ❑ Is characterized by mutual expectations
- ❑ Keeps your boss informed
- ❑ Is based on dependability and honesty
- ❑ Selectively uses your boss's time and resources

Compatible Work Styles. Above all else, a good working relationship with a boss accommodates differences in work style. For example, in one situation we studied, a manager (who had a relatively good relationship with his superior) realized that during meetings his boss would often become inattentive and sometimes brusque. The subordinate's own style tended to be discursive and exploratory. He would often digress from the topic at hand to deal with background factors, alternative approaches, and so forth. His boss preferred to discuss problems with a minimum of background detail and became impatient and distracted whenever his subordinate digressed from the immediate issue.

Recognizing this difference in style, the manager became terser and more direct during meetings with his boss. To help himself do this, before meetings, he would develop brief agendas that he used as a guide. Whenever he felt that a digression was needed, he explained why. This small shift in his own style made these meetings more effective and far less frustrating for both of them.

Subordinates can adjust their styles in response to their bosses' preferred method for receiving information. Peter Drucker divides bosses into "listeners" and "readers." Some bosses like to get information in report form so they can read and study it. Others work better with information and reports presented in person so they can ask questions. As Drucker points out, the implications are obvious. If your boss is a listener, you brief him or her in person, *then* follow it up with a memo. If your boss is a reader, you cover important items or proposals in a memo or report, *then* discuss them.

Other adjustments can be made according to a boss's decision-making style. Some bosses prefer to be involved in decisions and problems as they arise. These are high-involvement managers who like to keep their hands on the pulse of the operation. Usually their needs (and your own) are best satisfied if you touch

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base with them on an ad hoc basis. A boss who has a need to be involved will become involved one way or another, so there are advantages to including him or her at your initiative. Other bosses prefer to delegate—they don't want to be involved. They expect you to come to them with major problems and inform them about any important changes.

Creating a compatible relationship also involves drawing on each other's strengths and making up for each other's weaknesses. Because he knew that the boss—the vice president of engineering—was not very good at monitoring his employees' problems, one manager we studied made a point of doing it himself. The stakes were high: The engineers and technicians were all union members, the company worked on a customer-contract basis, and the company had recently experienced a serious strike.

The manager worked closely with his boss, along with people in the scheduling department and the personnel office, to make sure that potential problems were avoided. He also developed an informal arrangement through which his boss would review with him any proposed changes in personnel or assignment policies before taking action. The boss valued his advice and credited his subordinate for improving both the performance of the division and the labor–management climate.

Mutual Expectations. The subordinate who passively assumes that he or she knows what the boss expects is in for trouble. Of course, some superiors will spell out their expectations very explicitly and in great detail. But most do not. And although many corporations have systems that provide a basis for communicating expectations (such as formal planning processes, career planning reviews, and performance appraisal reviews), these systems never work perfectly. Also, between these formal reviews, expectations invariably change.

Ultimately, the burden falls on the subordinate to find out what the boss's expectations are. They can be both broad (such as what kinds of problems the boss wishes to be informed about and when) as well as very specific (such things as when a particular project should be completed and what kinds of information the boss needs in the interim).

Getting a boss who tends to be vague or not explicit to express expectations can be difficult. But effective managers find ways to get that information. Some will draft a detailed memo covering key aspects of their work and then send it to their boss for approval. They then follow this up with a face-to-face discussion in which they go over each item in the memo. A discussion like this will often surface virtually all of the boss's expectations.

Other effective managers will deal with an inexplicit boss by initiating an ongoing series of informal discussions about "good management" and "our objectives." Still others find useful information more indirectly through those who used to work for the boss and through the formal planning systems in which the boss makes commitments to his or her own superior. Which approach you choose, of course, should depend on your understanding of your boss's style.

Developing a workable set of mutual expectations also requires that you communicate your own expectations to the boss, find out if they are realistic, and influence the boss to accept the ones that are important to you. Being able to influence the boss to value your expectations can be particularly important if the boss is an overachiever. Such a boss will often set unrealistically high standards that need to be brought into line with reality.

A Flow of Information. How much information a boss needs about what a subordinate is doing will vary significantly depending on the boss's style, the situation he or she is in, and the confidence the boss has in the subordinate. But it is not uncommon for a boss to need more information than the subordinate would naturally supply or for the subordinate to think the boss knows more than he or she really does. Effective managers recognize that they probably underestimate what their bosses need to know and make sure they find ways to keep them informed through processes that fit their styles.

Managing the flow of information upward is particularly difficult if the boss does not like to hear about problems. Although many people would deny it, bosses often give off signals that they want to hear only good news. They show great displeasure—usually nonverbally—when someone tells them about a problem. Ignoring individual achievement, they may even evaluate more favorably subordinates who do not bring problems to them.

Nevertheless, for the good of the organization, the boss, and the subordinate, a superior needs to hear about failures as well as successes. Some subordinates deal with a good-news-only boss by finding indirect ways to get the necessary information to him or her, such as a management information system. Others see to it that potential problems, whether in the form of good surprises or bad news, are communicated immediately.

Dependability and Honesty. Few things are more disabling to a boss than a subordinate on whom he cannot depend, whose work he cannot trust. Almost no one is intentionally undependable, but many managers are inadvertently so because of oversight or uncertainty about the boss's priorities. A commitment to an optimistic delivery date may please a superior in the short term but become a source of displeasure if not honored. It's difficult for a boss to rely on a subordinate who repeatedly slips deadlines. As one president (describing a subordinate) put it: "I'd rather he be more consistent even if he delivered fewer peak successes—at least I could rely on him."

Nor are many managers intentionally dishonest with their bosses. But it is easy to shade the truth and play down issues. Current concerns often become future surprise problems. It's almost impossible for bosses to work effectively if they cannot rely on a fairly accurate reading from their subordinates. Because it undermines credibility, dishonesty is perhaps the most troubling trait a subordinate can have. Without a basic level of trust, a boss feels compelled to check all of a subordinate's decisions, which makes it difficult to delegate.

Good Use of Time and Resources. Your boss is probably as limited in his or her store of time, energy, and influence as you are. Every request you make of your boss uses up some of these resources, so it's wise to draw on these resources selectively. This may sound obvious, but many managers use up their boss's time (and some of their own credibility) over relatively trivial issues.

One vice president went to great lengths to get his boss to fire a meddlesome secretary in another department. His boss had to use considerable influence to do it. Understandably, the head of the other department was not pleased. Later, when the vice president wanted to tackle more important problems, he ran into trouble. By using up blue chips on a relatively trivial issue, he had made it difficult for him and his boss to meet more important goals.

No doubt, some subordinates will resent that on top of all their other duties, they also need to take time and energy to manage their relationships with their bosses. Such managers fail to realize the importance of this activity and how it can simplify their jobs by eliminating potentially severe problems. Effective managers recognize that this part of their work is legitimate. Seeing themselves as ultimately responsible for what they achieve in an organization, they know they need to establish and manage relationships with everyone on whom they depend—and that includes the boss.

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Managing Your Boss

Further Reading

ARTICLES

The Subordinate's Predicaments
by Eric H. Neilsen and Jan Gypen
Harvard Business Review
September–October 1979
Product no. 79507

This article provides the psychological backdrop for "Managing Your Boss," stressing again how important it is to be an effective subordinate—just as important as being an effective supervisor. "Managing Your Boss" presents the concept primarily from the subordinate's perspective; this article includes the boss's as well.

It stresses that the supervisor's power drives the subordinate to adopt self-protective behaviors that undermine performance. Drawing upon the ideas of psychologist Erik Erikson, the authors describe eight dilemmas subordinates must resolve in dealing with supervisors. They also suggest how supervisors can help, using introspection, empathy, and preparedness.

The Manager: Master and Servant of Power
by Fernando Bartolomé and André Laurent
Harvard Business Review
November–December 1986
Product no. 86603

This article, like "The Subordinate's Predicaments," focuses both on the boss and the direct report—the "master" and the "servant" in work relationships. It highlights this irony: while most managers function as both supervisors and subordinates, they often are unable to put themselves in the others' shoes. This exacerbates the conflicts and misunderstandings that arise because of power differences. But there are steps managers can take to harmonize these often opposing perspectives. The key is to link the two roles to draw on the insights gained from working with those from above as well as those from below them in the organizational hierarchy. The article reinforces the concepts of "Managing Your Boss" by making specific suggestions for how direct reports can strengthen their relationships with higher-ups.

The Set-Up-to-Fail Syndrome
by Jean-François Manzoni and Jean-Louis Barsoux
Harvard Business Review
March–April 1998
Product no. 861X

This article expands the repertoire of ways to pursue healthy and productive work relationships based on mutual respect and understanding, as stressed in "Managing Your Boss." It puts the focus on the manager and the role he plays in employees' poor performance. When an employee performs poorly, managers typically assume that the fault lies entirely with the employee. The authors take a different view. In a reversal of the Pygmalion effect, they argue, employees perceived as weak performers proceed to live *down* to their manager's low expectations for them. This costly syndrome, however, is neither irreversible nor inevitable. The authors describe an intervention to break the pattern and suggest how managers can avoid setting up their employees to fail in the first place.