

One Knight in Product - E135 - Russ Laraway

Sun, 7/17 6:57PM 47:38

SUMMARY KEYWORDS

manager, people, book, qualtrics, engagement, jason, marines, lead, leadership, results, marine, interviewed, point, podcast, measurably, big, employee engagement, bad, written, turned

SPEAKERS

Jason Knight, Russ Laraway



Jason Knight 00:00

Hello, and welcome to the show. I'm your host, Jason Knight. And on each episode of this podcast, I'll be having inspiring conversations with fantastic people in and around product management. If that sounds like your kind of crowd, why not join the party at <https://www.oneknightinproduct.com>, where you can find interviews with thought leaders and practitioners in around product management, binge the back catalogue, subscribe on your favourite podcast app or share with your friends. And if you spot that donate link up top, well, hey, podcast hosting isn't free and your contribution will help keep food in my kids mouths for another week.



Jason Knight 00:29

On tonight's episode, we talk about managers. Some of us have been managers, all of us have had them. But how many of us have stopped to think and asked the question... Why are there so many bad managers? And how come some seem to be getting worse? We dig deep into what a good manager looks like how we might measure managerial effectiveness and whether good management is a teachable skill or something you're born with. We also reflect on my guest's time in the military. Why it's not all "Sir! Yes! Sire" as the movies tell us what tech companies might learn about empowered decision making and Commander's Intent. For this and much more please join us on One Knight in Product.



Jason Knight 01:14

So my guest tonight is Russ Laraway. Ross is a former hay baler turned marine commander turned titan of big tech who says one of his pet peeves is how people refer to all of their peeves as their pet peeves. Russ moved from the Marines to leadership roles with Google Twitter and Qualtrics, finding time in between to help people cared deeply and challenged directly by setting up Radical Candor LLC with his former boss and my former podcast guest Kim Scott. Russ has now turned his attention to solving his own legitimately pet peeve, the fact that managers are failing and no one's helping. He's doing his best to change that with his new book

"When They Win, You Win - How being a great manager is easier than you think". Now I'm gonna say that sounds fantastic, but I'm not sure he's had some of the managers I've had. Hi Russ, how are you tonight?

R

Russ Laraway 01:54

Hey, what's up, Jason? That was a that was an excellent introduction. Thank you very much.



Jason Knight 01:59

No problem. So first things first, the book "When They Win, You Win" - it's been out for a couple of weeks now. It's been rolling up the Amazon charts. I've seen some kind words being spoken about on the socials. And obviously some nice five star reviews and stuff like that. But as far as you're concerned, and in your opinion, how's the book going down so far?

R

Russ Laraway 02:18

Yeah, I think so. I'd say so far so good. This industry, you know, the book industry doesn't exactly get their data speedily, I would say so I do fly a little bit blind on sales. Even any data I get is actually, I mean, I just got some numbers today with I was like a week old. So yeah. But the reception's been really strong. You know, and a funny thing, I had gotten a review from some, some person who I think works like publisher weekly. And it was like a very neutral review. But the person had done so little, I put so little effort into the review. In the middle of that review, they refer to me as Matthews. My last name is not Matthews. My middle name is not Matthews. I have a cousin named Matthew, but not Matthews. And anyway, that it bothered me a little, because it was really the first review that I'd seen. But it was also written by somebody who doesn't manage people. And so what's been happening in the first two weeks we've been out, is that real managers with real teams are saying, you know, this book is really, really helpful. And so that that's kind of what I'm after. I've always envisioned it in someone's back pocket. They're folding over, they're dog earing. They're underlining, they're making notes in the margin, they're highlighting, I've always envisioned it as sort of your go to handbook that you have for leading your teams. And so that reception so far, Jason, has been really, really great.



Jason Knight 03:47

That sounds really good. And I'm gonna avoid the temptation to try and fold mine since it's electronic. But I get the point is good to be able to do that sort of thing and...

R

Russ Laraway 03:54

Get that Samsung, that Samsung phone. You could sort of semi dog ear, I guess down the middle.



Jason Knight 04:02

But on the book's website, you say, we don't need another person's opinion about what it means to be a great manager. Now, at the risk of being provocative, why do we need a book that contains your opinion about what it means to be a great manager? Because, you know, you're a person too... right?



Russ Laraway 04:16

Yeah, actually, we don't we don't need a book that contains my opinion. And in fact, if this book were about my opinion, I would have written it. So look, I mean, I don't want to diss my experience. I've been managing people for 28 years. You know, you mentioned the Marines. I've been at Google Twitter at most, you know, the publisher wrote the thing on on Amazon and Barnes and Noble that says legendary Silicon Valley. I don't know about all that. But, you know, I mean, the reality is, I've had a pretty good run as a manager, I think most people, we've gotten good stuff done, and I think people have been happy working with me, right? So that's been okay. But that doesn't entitle me to be particularly prescriptive about how to be a good manager. It's stuff that worked for me. And what I realised along the way is that far too much of this leadership stuff is about, oh, it's what works for me, here's what works for me and my style. And, and leadership is more important than management. And I'm more of a leader less of a manager. And it's all nonsense. So the book that the book that I wrote is a book that discovered a set of behaviours, leadership behaviours that when practised, measurably and predictably lead to better engagement or work happiness, if you will, and better business results. So it's not it's not just, it's not like crack the whip and get results. That's not the full equation. It's not, hey, I'm winning a popularity contest, everybody's happy and engaged. That's not the full equation, the full equation is set a leadership behaviours that measurably and predictably lead to better engagement better results. So it's not my opinion, actually, it's it's actually a pretty well detailed data driven approach to the behaviours that actually work. So how's that?



Jason Knight 05:54

That sounds pretty good. And I want to talk a bit about the data driven stuff in a minute. But I guess before that, I want to ask just briefly, like, you talked a lot about the approach and what that enables, and how you can lead to better engaged and more effective teams. But obviously, someone needs to read it to do that. So is this really aimed at new managers? Is it aimed at experienced managers who've maybe gone awry? Or is it aimed at people that are trying to get into management but haven't got there yet? Like, who's your sweet spot target reader of that book?



Russ Laraway 06:24

Yeah, primary audiences, managers, and I'll, you broke it down perfectly. And I'll give you the priority order their secondary audiences, actually, HR people, right. And in fact, I really struggled, I had to choose or, you know, I was editing, I kinda had to, you know, the publisher, everybody made me choose. And we ended up settling on writing for managers, as the primary audience with a little bit here and there for HR leadership development, people analytics types,

the in terms of the managers, you know, by a longshot, the book I think, will be most valuable if you if you're new, or you're mid career, you know, aspiring managers will get a tonne of value out of it. One of them in fact, one of my reviews on Amazon's written by an aspiring manager, which I found really interesting. But there's one thing I do a little bit in the book about senior managers who, you know, a lot of times senior managers think they don't need this stuff. They're... They... it's like they handed a birds and bees pamphlet off to their child and like middle school, so you're 13. Now you need to know how this works. Here's the pamphlet, you know, I don't think senior people should be doing that with this book. Senior people do, Jason, of course, tend to be more experienced a little more sophisticated, right? But because their blast radius or their leverage is so enormous, for better for worse, smaller mistakes are actually become very large, you know, the larger the organisation you have, the more those mistakes blast. So I did a solid two pages in here on why senior people should read it. And it's this simple. Leadership, by example, never goes out of style. And how can you possibly lead by example, if you don't know deeply the example you're supposed to set and again, like, I give you some grace, if this was my opinion, you know, go ahead, and you can ignore me all I am is a fellow senior manager. But this isn't my opinion, you know, we develop the evidence that suggests these are the right behaviours, and it doesn't matter if you're leading other sea level, or vice presidents, these are still the right behaviours. And our math, by the way, holds up that way, some of the effects are a little more muted, but the effects are there nonetheless.



Jason Knight 08:19

That makes a lot of sense. And I think that leading by example, is something that you could probably argue that we need a lot more of just in general, from throughout any part of any industry, like just this ability to live and breathe the values that you claim to have, rather than just paying lip service to them. But I'm going to assume that I haven't written a book about this, and you've kind of touched on it yourself. Like whether we believe that you were the best boss or not. But you've probably been a pretty good boss in your time to have even had the background to even try and write this book. But you obviously didn't have this book when you were becoming a good boss, because you hadn't written it yet. So I have to ask them, given your background, what was it that helped you be a good boss in the first place?



Russ Laraway 08:58

Yeah, more than anything else, Jason, it was actually the United States Marines. So that wasn't, you know, you mentioned in the intro, Kim Scott, one of the things she said I think she was being a little hyperbolic. One of the things she said though, is everything she's learned about the care personally, axis counter intuitively, she learned from her former US Marine direct report. So the Marines actually take this notion of taking care of your people extremely seriously. And it's, it's it's all encompassing, you know, I there's a story, a story where I got a call once from the local Domino's Pizza outside the base, and one of my Privates, one of my very, very junior Marines had been bouncing checks to Domino's Pizza, and the manager calls me and he's like, "Hey, we got it. Can we get this guy?" You know, let's call him Private Smith. And so I had to do two things. First, before I counsel Private Smith, I had to counsel the Domino's Pizza manager, stop taking checks from Private Smith, you know, why don't you like like, you're not a victim here, buddy. But we went and I talked to Private Smith and this guy, he didn't realise he thought because he had checks he had money. Right? You know, and there's a pretty basic life skill that this guy didn't have. Now, that wasn't true of all the Marines, right, of

course, like, I don't want to paint them, you know, this was just but this was part of my job was to help teach this young Marine, not how to shoot straight, not how to, you know, fire, do fire manoeuvre, but literally, like, get involved in life skills with some of these Marines and so all encompassing. And so, you know, we say you don't mess with the Marines pay for their food or their mail, you know, like, never do that. And so there's all these I mean, the the guy who, the big Marine Base in North Carolina, which is the east coast of the US, it's called Camp Lejeune. It's named after a guy named General John Lejeune . And John Lejeune described the relationship of officer to Marine is ... and forgive the gendering here, you know, just used to be the case when he said it, but he said, it's the relationship, he said, is that a father to son, teacher to student, right, yeah, and we can say parent to child now, you know, because it's pretty gender diverse in the, Marines now. So anyway, on and on. And so, I would say that, for most of my time, as a leader, I was actually really, really focused on more of the engagement part of this equation, right, leader B, you know, the, the core model, the books, 3ER, which is the big three leadership behaviours leads to better engagement and better results, I would say I spiked for a lot of years on the E. And when I got to Google, I at least wasn't perceived as being focused enough on the R. Now, it turned out when you hire great people, if you sort of take care of them in a human way, they'll take care, they'll drive the results that need to be driven, even if you yourself didn't do the best job and articulate with those should be and I'd say, you know, I wasn't even the best, the best manager when I first got to Google, because I was heavy, I was heavy in the middle, heavy in the engagement part and weaker on the results part. But, you know, sort of culturally, these this put, you know, Tech really taught me about, there's no point in doing anything else, unless we're driving for the result, there's literally not the rest of it doesn't matter doesn't exist, we're all there to drive deliver an aligned result. And so, you know, ultimately, it was over years, you know, decades, Jason that, you know, I learned the full sort of the full model of what it takes to be a good manager.



Jason Knight 12:19

Yeah, and it's interesting, actually, this whole military thing, because obviously, many non military people, the only real exposure they get to the military is for films and for stories that they hear and stuff like that. And they maybe have this very authoritarian view of the military kind of Full Metal Jacket style thing, because that's really the last film that I remember watching about it. But I've talked to a couple of ex military, people who've really kind of bed at home, this idea that actually is not at all like that. And also, there's this whole Commander's Intent idea that, you know, like, basically, once you're in the field, you've got a mission, and you try and work out your best way to get there based on the talents in the team, which obviously, is something which is transferred a lot into some of the tech thinking as well with the sort OKRs and stuff like that, which obviously, it's a different world, but it feels like there's so much relevance in that sort of squat model, I guess, if that's even the right thing to call it and a way that you just sort of set the direction, give them the right coaching and then get out of the way. Would you say that's fair?



Russ Laraway 13:15

Yeah, it's really it's really well said. Commander's Intent is fascinating. That's where a commander articulates the end state of the battlefield and very, very junior people are then empowered to make the does because the first the plan is gone. The second bullet goes wasn't past your head, the plan is gone. So now these very junior people need to make decisions that

help achieve that desired outcome that are generally not exactly what they stipulated in the plan. There's a story from World War Two, where a Marine Sergeant who's you know, probably 10 levels in the hierarchy lower than General Rommel, famous tank commander, the sergeant outmanoeuvred General Rommel, because the sergeant was empowered to act. And Rommel needed permission from Adolf Hitler, who is somewhere else at a wedding. You know, and so, just to give you a feel, but by the way, along these lines of the movies, just you know, we don't have to tell a lot of Kim Scott stories, but this one's amazing. She's the first person who interviewed me at Google. It was in the bowels of the Wharton School, which is where I got my business degree and she really didn't want to hire me. She had sort of, she had a sort of a bias against military people. She you know, he she herself used to use the phrase pinko... I'm a pinko feminist. wasn't interested in interviewing a marine thing, you know, and, but to have her direct reports insisted they had a they had an intern there who came from Stanford GSB. He had been a Marine, he was doing a really good job. They're like, maybe we should take about this. And so she said, Fine. And so they picked my resume off the pile. She interviewed me. I walk in, she's upset. She's there for three reasons, Jason. Reason number one is, since they didn't have any Wharton people, she had to come down from Boston. She was interviewing at Harvard where she went, she had come to Philly, which was I guess, tough. She was that's number one. Number two, she was sick, had a big fever. And then number three, she's got interviewed US Marine. So I walk in and luckily, by this point, I'd been exposed to a lot of bad interviewers, you know, I went through that process at school and they were just young people had no idea how to do interviews. And I realised, oh, everybody's trying to find reasons to exclude you. That's That's what interviewing really is. Yeah. And the military thing, I had gotten a fair amount of new sort of unusual characterizations about that. So Kim says, I don't even sit down. And she says, What is a marine know about being entrepreneurial, which ostensibly means Google's looking for entrepreneurial... it's 2500 people, but that's not stop it with the entrepreneurial number one. Number two is, I knew immediately what this was, this was exclusion. And so I knew I had nothing to lose. And so I said, Kim, is it? I said, it sounds to me, like everything you've learned about military leadership, you've learned from TV and movies. Do you mind if I take a shot at reframing you? Those are the exact words and luck of the draw, this is her favourite thing on earth, right, pushing back challenging her, you know, kind of like saying hold on a minute, and what she deeply wanted in the people on her team, and she created an incredible culture along those lines. And so it turns out, it didn't matter too much what I said from that point on, became my greatest champion, you know, which again, all the story ultimately is really to her credit. She owns this story very well. So sort of, to your point, yeah, a lot of people have this really flawed idea about it's the it's the commander says jump in the Marines just say how high and, and that's it and they don't sink and it couldn't be it just couldn't be further from the truth. No organisation I've seen pushes decision making closest to the facts better than the military. Not Google, not Twitter, not Qualtrics. None of them. The US Marines do it better than anybody.



Jason Knight 16:43

There you go, I'll get my green t shirt and sign up. But when it comes down to the leadership and management angles, and you know, obviously, that's generally performed by managers, and you've touched on earlier how this leader versus manager debates a bit tiresome. So let's maybe use those words interchangeably to try and get that into people's thought processes. But from your perspective, and obviously, with regards to the book as well, but from your perspective, what is the core job of a manager?

R

Russ Laraway 17:09

Yeah, yeah. Yeah. And first of all, I think it's important that the job everyone applies for as manager. Yeah, right, you're not actually out there applying for the job leader. And sort of this point I... there's these these two mental models, right, there's the leader and the manager. And the lead the manager, okay, that this guy is wearing a short sleeve, button up shirt, pocket with some pens in it, it's got a clip on tie thick rim glasses, he counts all the bottles on the assembly line, he's you know, he's in concrete walls around them, you look at all the spreadsheets are justified. And there's maybe a, a water stain on the drop ceiling, bad fluorescent lighting. And this guy is someone to be tolerated. And yuck. But the leader, Jason, oh, she's... I mean, she's, she's something to behold, man, she, she floats, she's out on the meadow on the hillside, she she seemingly floats, she needs to do little more than whisper, follow me. And everybody lines up behind her. And, and, and off, they go to achieve the impossible. And she's inspiring. And these are useless mental models, they're clear in people's minds. I mean, I just described something I think most people but yeah, that's how we think about it. And the reality is, like, if you if you, if you think about this job, you have to be a little bit of both of those things, right. And maybe when you're a little more junior, you got to be a little more of a manager, maybe when you're little more senior gotta be a little more of a leader, but you always have to be both. And so there's a phrase, there's the chapter one of the books called restoring dignity to the office of the manager, because what's implied in those two mental models is the manager sucks, you know, and so, but the job is nonetheless manager. So all the way back to your question, the core job. So I had to think about this, one of my core premises of the book is actually despite all the content coming out to help managers be better at their jobs. They're actually they're at least not improving. And I think I defend that one, quantitatively, they may be getting worse, because they're confused. They don't know what to latch on to. And what they do latch on to they, they opt into based on bias, or it already fits their worldview, they don't latch on to things because nobody does the work to say, this set of behaviours measurably and predictably is better engagement, better results. And we're gonna be that guy that makes that claim that the more content we put out, the more confused managers get, you also need to be the guy who simplifies. So the simplified job description for the manager that I came up with is one, deliver an aligned result and to enable the success of the people on your teams, and now success is both short term and long term. So short term being better your job today long term, you know, sort of your long term career aspirations and I think we'll get there but that's sort of a top down view. The bottoms up view is the big three which was derived through research they actually overlap perfectly. We can, whenever you're ready, we can kinda, we can kind of head there.



Jason Knight 20:03

Oh, yeah, no, we'll get there in a sec. But one thing that just sprung to mind when you were given that description of the managers is something I've reflected on before, I think I gave a talk on it a little while back about the transition from individual contributor to manager and how that's generally a very ill coached transition, like in the sense that people don't get a lot of support in actually how to do that properly, they kind of just get given an in new, like gold rimmed name badge or something like that. And then they just get I can spot exactly if they're lucky, or key to the executive washroom, like in Robocop, you're given they're given a team, they're given no training, they're given no coaching. The only role model really is their own boss, who themselves probably got given a team with no training and no coaching and their boss, and so forth, and so forth. So you've got this kind of chain of mediocrity from the newest

manager all the way up to the most senior manager in the organisation. I guess a question from that would be like, Why are companies so bad at developing the people that they do put into management?

R

Russ Laraway 20:58

Yeah, yeah, by the way, like, sort of a core idea that underpins what you just said, is that I think it's really important for people to get their heads get right. Get their heads right on is the activities that make you successful as an individual contributor look nothing like the activities that make you successful. As a manager, there might be some attributes, right? If you show a lot of initiatives, I see. Showing initiative as manager is helpful. If you're a good listener, as an individual could be a good listener. So attributes, but the activities, the things that technically define a job or activities, they are nothing like, yep. And you know, in the book, I give two examples. One is the general contractor, like, I don't care if he can swing a hammer. I don't care if he cuts straight what I care about, can he deconflict 17 subs that, you know, can you give us good advice? Can you keep us on budget, or the Another example is the woman who conducts the symphony orchestra, she doesn't blow any air through a clarinet. She doesn't reflect the harp, she doesn't hit the timpani. Her job is to get the best player in each seat. Make sure they're all in tune, and then to put together and make sure everyone understands the composer's intentions and then deliver a beautiful symphony or concerto. Right? This is the difference in a nutshell. So why are companies so bad? Well, first, first, it's hard. And number one, but number two, is there is a process to have great managers. And I'm telling you, it ain't easy. And so the model that I use is I call it stack. It's an acronym, and like, we're gonna stack up a bunch of great managers STAC, so I left the K off... that's probably how you guys spell it in the UK, I bet. Anyway, so. So stack one stack of a bunch of great managers and stack stands for select, teach, assess, coach. So step number one, the first thing we do wrong, Jason, is what you just described, we take the best individual contributor, and make them the manager or if you're in food services, we take the personal, it's like, Hey, you're still here, okay, you're the manager, like, you know, because it's like the person with the most tenure, right? So we don't select based on leadership skill, in the case of an experienced manager or leadership disposition. In the case of a new manager, we select for nonsense. But most companies, as I just mentioned, are absolutely terrible at selecting people in general, there's zero consciousness about selecting for leadership disposition. So the first thing we do is we don't select Well, we already have like the chessboard tilted against us, you know, or whatever the playing field tilted, you know, against us, then you have to, as you describe, you have to teach the leadership standard. Now, I'm going to argue that the selection and the teaching, they're based on the same leadership standard, my opinion, it should be one that has the guts to say that it measurably and predictably leads to more engaged employees and better business results. But that's, you know, I'll take anything at this point, as long as they're the same standard sets teach. Now, here's the thing about teaching, training. What everybody knows intuitively, is that when people go to training, a very small number of people are capable of a very small number of behaviour changes based on that training. And so and there's like, I actually actually covered a bit in the book, there's a bunch of research about the amount of training effort and money that is wasted, because people leave and don't change. And like, better up as a company that exists literally because of this problem of wasted training. So anyway, well, then how do you make training stick, right, you still have to do it, but it's wasted. Well, the next the third step and stack is most important success. And so what we really invented at Qualtrics, we ended up naming it the manager effectiveness score. This is where we're asking employees if the managers are showing the behaviours that we've studied that lead to more engagement and better results. We're not doing it 360 Your boss, the managers

boss gets plenty of room to evaluate the manager. The people that are doing the real work, the people that are being led. I want to know from the people being led how they believe they're being led and I want it only from them I don't want peers I don't want the by only one it from the business. I'm saying this and like you're nodding. And this is this is actually one of the hardest things for companies, because a lot of managers are hiding. Oh yeah, you can hide from your boss you cannot hide from your team. And something like this, the very first thing that happens is managers can no longer hide from their teams. It instantly changes the leadership culture, by the way, every single manager is going to be held accountable by their team. This is by far the most leveraged of the three parts. And I promise you, if you don't do this one, you're gonna have a hard time making your managers great anyway, at the end coach, there will always be gaps. Turns out when you write these questions as behavioural questions, employees will tell the truth, right, a lot of people think they will lie. The you know, these products often have confidentiality thresholds. So the manager doesn't know who's actually saying what you have. So now there's a gap, the mat, there's the standard, and there's the gap and the mat and now we coach the managers to close the gaps, their manager coaches them, I would sometimes coach the really bad ones, practically just to give folks a feel that process like Teach, Assess, Coach, while I was the Chief People Officer at Qualtrics for four years, we added 500 managers under my watch. And while we added 500 They got measurably better, it would have been a coup if just the original 100 gotten measurably better. But by the time I left, there were 600. And to have your managers measurably improve over four years, while adding six times the number you started with, or five times the number you started with something like that is it's extraordinary. And so that select teach success coach, most companies, you know, a decent companies probably do in the teach part, I got asked to consult for like one of the big three US auto companies and and these guys wanted to do that they wanted to allow employees to assess the managers and they were getting roadblock by senior people at this automaker, because probably those are the same people who are hiding from their teams, or the people who are inclined to kiss up and kick down. And nobody wants that kind of accountability. It's hard. But I'll tell you, I'll tell you who loves it. By the way, Jason, the managers at Qualtrics. They quiet and that's a quote, you have to have a growth mind we never turned anybody because you know, they were getting a bad manager effectiveness score, like that's the fastest way to get your employees to stop telling the truth. By the way, John gets a bad score. And then John vanishes. You know, eventually we'll eventually have to move somebody maybe out of a job here and there. But But overall, the goal was to coach people get them better. And if you have a growth mindset, you view this as like the greatest. These are the people I serve, they're given me the answers to how to serve them better, like so. So it turns out most really conscientious good managers, and people really want to be good at the job. They love this the people who don't want to be good at the job or who are really scared of growth, they often will push back and recoil at this idea of being assessed by their teams say STAC - Select, Teach, Assess, Coach with no K.



Jason Knight 27:48

Yeah, that makes a lot of sense. But in the book, you say that employee engagement is the linchpin of the company's success. And you've talked a lot about the measurability of your approach and the quantitative proof that you can make a big difference. And you've just touched on at the end as well, this idea that you measured those 500 600 managers will get better. So that all sounds brilliant, and obviously, working for Qualtrics, a company I know reasonably well, I'm sure you've got a very specific thing in mind when you talk about this, you talk about employee engagement as being the metric is that is that the one metric that you

trackers kind of proof of the efficacy of the approach, or if you've got like this whole complicated dashboard of numbers and widgets that you would recommend people take a look at and all these different things that they can measure all at the same time.

R

Russ Laraway 28:30

Yeah, I'd say there's probably three, three measurements, that that really matter. Primary measurement of the employee experience should be employee engagement. As you were touching on, it's just really strongly correlated with enterprise results. And my point is that to sustainably get great results, you need an engaged team, you might be able to skip it for a bit and get some results for any number of reasons, you know, maybe your lead with fear, maybe it's sort of a more of a wartime feeling versus a peacetime feeling right, you might be able to get away but sustainable, you know, repeatable results, you have to Yeah, I'm, I believe quite firmly, I have to lead through engagement, I rattle off the third party stats in the book, from places like Bain and Company from Gallup from the Royal Bank of Canada, you know, like they're all over the place. engaged employees deliver better results. And I'm not even talking about attrition. I'm talking about quota and earnings per share and productivity and operating margin, like real business results. So engagement matters a tonne. It turns out that a lot of employee engagement experts, this is one of those measurements where people don't like to set it as a target. Because by setting it as a target, you change the measurement. So when you can't set a good say you can't because my you know, subject matter experts tell me I can't set goals around engagement because I'll change the measurements simply by the presence of a goal. Well then what are the controllable input metrics? Well by longshot manager effectiveness, what I just described, so I and I list how to do that in the book there's you know, but like the big Three direction coaching career breaks down into 12 distinct behaviours, you ask your employees, if your managers are demonstrating those behaviours, five point scale, top two is good bottom two boxes are bad, middle box neutral, and boom, now you're mad at measuring manager effectiveness. measure effectiveness is by a longshot, the most important controllable input metric toward employee engagement, there's some other things that depending on the, you know, the research study or the outlet doing it, there's other ideas that have some explanatory power, like inclusions getting a lot of play these days and inclusion does does correlate. Also, the average resilience of your employees actually has a big impact on how engaged they'll be. So nothing even to do with how well they're being led. But to be really clear, 70% of variance and engagement is explained by manager quality. And by the way, even whether someone feels included on the team is likely a function of how well the manager is doing. We could we could kind of go there if you like, but just you know, it's almost impossible to escape the manager. So Gallup says the manager explains 70% of engagement. That means in large datasets, you observe a positive variance from average employee engagement, if you were to trace that back, statistically, literally regress it, you will find that variance 70% of that variance is explained by commencer appearance of manager quality, both positive and negative. So that's kind of the third party stuff. In other words, everything you're doing is worth less than half of whatever you're doing to make your managers great everything else you're doing to try to change engagement engagements worth less than half. And even if you and I Jason want to arbitrarily discount that 70 to 50. Just because even though we have no credentials whatsoever to do that, but I know everyone, you know, people that listen to me say this, they're sceptical, fine, well, that means everything else you're doing is worth worth half and investing in your manager is worth half. So at Qualtrics, we created an elasticity actually. So in this first time has ever existed, plus or minus two points of manager effectiveness is worth plus or minus one point of employee engagement. And so that's wild. I mean, that doesn't sound like much, I think, to your average listener, but the fact that that exists at all, is

extraordinary. And so let's let's change that real fast to 10 and five plus or minus 10. And man, I'm doing that for a reason plus or minus 10, a manager effectiveness is worth plus or minus five and employee engagement. This is on average at scale, right? I can't guarantee a single manager of a five person team if they improve their manager effectiveness by 10 points, five points of engagement will follow. I can't guarantee that but at scale, I could we saw a clear as a bell, by the way measured 16 times why was there something like that? Well, here's the killer. What we also found is that plus five and employee engagement is worth plus 30. And quota attainment, quota attainment, that's a lot name a more precious business measurement, lifeblood measurement than quota it's in new business, you know. And so we also found plus five engagements worth plus five in contract renewal. And, you know, that's a company whose contract renewal rates are already beyond world class, like, above, above, its confidential number, but the really, really high and so finding five points was tough. So run it through three are, the better, you are at your manager effectiveness score plus 10, you improve your managers by 10 points at a sales organisation. Engagement should follow by about five points. And you should expect on average quota attainment of 30 points in a customer success, where you look at contractor No, by the way, we could go code checked in, we can go code quality, we can go products to live, I don't care what they are, anything we can measure, we can mix into that. And so those are the three measurements, it's the manager effectiveness scores, the controllable input, engagement is a critical measurement but not a target. And then what are the results? The measurable results I the reason I picked quota, and contract renewal, is because those whether those were achieved or not, is not adjudicated by the fox in the henhouse Chief Revenue Officer. It's adjudicated by the CFO doesn't give a crap, what the CRO wants the answer to be he's got like legal responsibility to say no, this is what actually happened. Yeah, so it's a very strong, you know, as close to an objective business measurements you can get. So whatever your result is you're trying to drive, those are the three measurements that matter. And they kind of flow in that order manager effectiveness leads to better engagement, which leads to sustainably better results.



Jason Knight 34:07

Yeah, I think that's really fascinating as well, and obviously speaks to a lot of the work that you generally I wouldn't expect you would have done at Qualtrics as well, given the type of company that it is, but this idea that any of this stuff, you know, all of the things that you've talked about all the things you talk about in your book, I mean, they almost certainly would sound like good ideas to most people, at least, notionally, like read the book. Yeah, we should do some of this stuff. But actually, I think I like the way you said it, like drawing a line straight through to the centre of the CFO's world. That's the thing that gets this stuff bought, right? That's the stuff that most people want to use the approach because they can see very materially that it does have the impact, because otherwise you just run this risk of being seen as like a luxury approach, right? Yeah. Because it's so difficult to demonstrate the return on investment on what you're doing. So yeah, completely recommend if anyone's tried to do that sort of stuff, they do try and draw that line.

R

Russ Laraway 34:56

Yeah, this this, by the way, just was a little bit of my motivation. I covered this on the i I did a recent episode with Kim on the Radical Candor podcast, a little bit of my motivation was I was on the phone with everybody that was interested in radical candour. Your book was that book's

bestseller two times over, you know, we couldn't pick the phones up fast enough. But I would I would get frequently asked about ROI. And we didn't have a great answer. And I used to get it, and I would kind of put it back on the customer. Honestly, I was never totally comfortable with that. But that's kind of what we had to do. Because we didn't you know, Kim tells this funny story about a VCs about the ROI. And she, you know, she turned around and said to the venture capitalist, the ROI is that your managers are a bunch of assholes, you know, kind of like, that's how she answered it. And she said, maybe I was a little



Jason Knight 35:38

That sounds like Kim!



Russ Laraway 35:39

Yeah, it's exactly her. And so but I wasn't really comfortable with that, right. And I knew I wasn't, I had no reason to believe I was gonna write a 10 times over best seller. And so I thought I needed to set the bar a little higher for myself. And so went out and sort of did this work. That really is the ROI of good leadership, some questionable I mean, and then, you know, that part part one of the book like defends this robustly, we're hitting the wave tops here. Yep. But part one of the book defends this robustly that that it is your managers who are holding the keys, because here's the here's the simple narrative insight, that maybe most CFOs prefer the numbers, but the narrative insight is, the only thing everybody has in common at work is that they want to be successful. Right? That's it. That's the only thing we don't, we're not there to date, we're not there to make friends, we're not there to socialise, some of us are all those things. But the only thing we all have in common is we want to be successful. And so people just want to do great work. And they want to be totally psyched while doing it. Right. So that's what we all want. It turns out that the manager is the single human being most likely to the direct manager, no matter what level in the hierarchy you are, by the way, your direct manager is the single person that is most likely to create or destroy those circumstances, managers are holding the keys to whether people do great work. And they're totally psyched while doing it, which is engagement and results. So that's sort of the narrative version, but it's really, really important to me to develop sort of an ROI perspective on this stuff. It felt more in integrity to me. And that's that's kind of a big reason why I say I would if I was only my opinion, Jason, I would not have written the book.



Jason Knight 37:11

There you go, I'm sold. But the book maps out, then a three step plan to help make all that better. You got the big three, the direction coaching and career model where you can go and make managers more effective. Can you say you've broken it into these three areas? We've kind of touched on it earlier, to keep things simple. So we don't confuse people with labyrinthian frameworks and actionable stuff. But with regards to those three steps, and the direction coaching and career is that, like, all or nothing thing, or can you just go and pick and choose what you think, you know, very good.



Russ Laraway 37:45

Yeah, I think I think there's room to prioritise. But I'd say a couple of things about why this book is different for First of all, is this notion that the leadership standard, the big three direction coaching career, when I say it works, it's not my opinion, it's because this standard measurably predictably leads to more engagement, better results. That's the first key that's my most important differentiator for the book. I know for a fact that doesn't exist in another book. So that's number one. But there's two couple other things that are that are a little bit different. First is that this leadership approach is simple. You I'm glad you use that word. I say simple but not easy, like doing these things isn't always very easy. But there are going to be listeners to your podcast or you know, that say direction coach at karate knew that which by the way, to me is a hallmark of a good book when everyone's when you get like lots of people saying I already knew that. Man, I should have wrote that book. You know, that's that's actually usually means we got something. But again, we've done the work to say these these three, three things measurably and predictably lead. And it's simple, simple, but not easy. And then last is an end to getting back to your question. It is coherence. So the problem one of the big problems with the corpus of information on how to be a better manager as it is not coherent, it is unbelievably incoherent. It's not contiguous. It doesn't hang together, it conflicts with itself. It's too much, right. And so then it is this system that I believe is not as leading to the fact that managers are not getting better at scale. A manager out there is probably getting better, of course, and some somehow or miraculously getting worse. But simple is a feature, not a bug. Yeah, simple but not easy. And it's coherent. So you're not going to escape. If you want to do one part of the big three. At first, you're not going to escape the other two. However, I do go into some detail on the book, I call it where to start, you know, at the end toward I think it's toward the epilogue, I write a bit for the HR people. And I write a bit for the managers. It might be just before the epilogue, and for the managers, I give them three places to start. So you know, just to kind of get moving because ultimately it's a 304 page book, right? Like ultimately, there's quite a bit of advice in there that's hard for any human being to abide by and instantly change, right and so you got to start somewhere, but just realised if you start anyplace, you know, I give, I give a starting point and direction, a starting point and coaching and a starting point in career, and just realise you're just not gonna escape the big three. Actually, I think this is really important because I mentioned earlier, some of the problem with the corpus of information a bit about is the way people opt in, they opt into things that are already good at, yeah, they opt in to things that already fit their worldview, they don't want to put in the hard work of that other thing that seems really hard and all I stink at that. And that's not a winning approach. We got to go do all of these things to become good. And my proof is because this standard measurably predictably leads to better engagement better results.



Jason Knight 40:37

Yeah, reminds me of whenever I try and pick up a long forgotten language that I used to know at school or something like that. And I immediately like try and find either a really early foundational book to try and learn that and get really bored, or I try and find a way to hard book and, you know, just don't make any progress at all, it feels like you're having some way that some way to kind of zero in and just try and work out what you're good at. But yeah, I guess the counter point to that is if you just start at the beginning, and kind of go through the stuff that you think you know, then you'll go past everything all the way up to the top, and then you'll get better rather than assuming that you know some things and then missing some gaps that you actually never knew. But you just kind of glossed over in the past. Not sure if that's a perfect analogy, but you know, I like to sound clever.

R

Russ Laraway 41:19

And one thing I know that sounds clever, you've at a minimum achieved sounding clever, I would just say I'm thinking about this, I actually kind of believe in orienting folks towards their strengths. You know, I worked for Goodwater capital now, and one of the magic partners, his name is Chi-Hua Chien, and he's a great guy. And he lives and breathes discovering your superpower, he loves this right and can't wait to orient you towards your superpower. And watch you go. He's like a so wonderful, kind human being that just loves to see people fly. And I buy into that. I like that a lot. And so sometimes when people hear me say sorry, there's no escaping the whole big three. What's missing for them is the behaviours in here are not particularly susceptible to being inherently good or bad at them. They're just behaviours that require practice. I really I say early on, anybody can do this if they put in the right kind of work. And I really mean that. And I, I wrote that mostly for introverts because there's this horseshit belief that extroverts with people with charisma are better managers inherently, and they may be in day one. You know, you show up to a team, you're kind of cool and funny and comfortable, the team will feel a little more settled, but like I promise, you give it a week. And it's the person whether they're the extrovert, or the charisma person, or whether the introvert with like no shred of charisma, it's the people who do the brushing and flossing work every day and every day day in and day out to enable their team to be successful. Those are the good managers. And yeah, the extroverts don't have any greater advantage in that regard than the introverts, to some of the best managers have ever met massive introverts. So anyway, so I'm pretty convinced anybody can become a great manager. And these behaviours aren't, in my opinion, susceptible to you being really good at it, or really bad at it in any way. If you haven't done it, or practised it, I tell you how to do literally everything in here. And you just have to go practice and you'll become good at these. They're not there. They're addressable they're accessible for I think, I really, I really mean that for anybody.

**Jason Knight 43:19**

Yeah, I think that does sound amazing. But I am gonna go and try that on some of my former worst managers that I've ever had, and see if it can improve them as well, if I can still find them. Probably get them on LinkedIn or something like that. But where can people find you after this, then if they want to talk to you about the book, maybe get some of that training, talk about leadership in general or maybe try and sell you on the benefits of some franchising opportunities?

R

Russ Laraway 43:42

Yeah, well, all that you know all that's Welcome. I'm the easiest guy on Earth to find I am personally on Twitter, I am personally on Instagram. I'm personally on Facebook, and in person on LinkedIn. We are @theywinyouwin on Twitter, @theywinyouwin on Instagram. @whentheywinyouwin on Facebook. I couldn't get the same one there. And then the book's available it seems like everywhere. I mean, a friend of mine bought the last copy at LAX a couple of weeks ago and is on his way to Riyadh. He's in the Marines still. And so, you know, so I guess you can get the book anywhere, you know, but you can get it online. There's audiobooks as you know, there's a Kindle version, you know, all that. So I am these these guide them. And at the moment, I'm hyper responsive on all these channels. Because Because of this, I am really grateful for these early adopters, you know, I'm a sceptic on everything. Gretchen

Rubin questioner... I did her podcast recently. And I'm a sceptic and to get me to get a book to lean in and go grab a book. You know, I need to be pretty convinced. And so these early adopters who are the exact opposite of me, who sort of jumped in with both feet and who are now telling everyone they love it, I can't express my gratitude to those folks enough and so, so as a result of that I have at the moment I can still handle it. I'm there Are you very responsive on on Twitter, on Instagram, on Facebook and on LinkedIn and so folks want to get in touch. Oh, and by the way on our website <https://whentheywinyouwin.com> If you have a business need that you think we can help with you literally just a form to fill out go straight to Charmaine, she'll give you a call in like two seconds. And next thing you know, we're, we're rocking and rolling. So he were the easiest people on Earth to find, Jason, we're so easy to find.



Jason Knight 45:22

I will go and find out all those details, link them into the show notes. And hopefully you'll get a few interested people have been your direction.



Russ Laraway 45:28

Thank you.



Jason Knight 45:29

Well, that's been a fantastic chat, obviously, really grateful, we could find a time and chat a little bit about how we could all be better leaders or managers, whichever you want to call yourselves. Hopefully, we can stay in touch. But yeah, that's for now. Thanks for taking the time.



Russ Laraway 45:41

Yeah. Can I take two final words?



Jason Knight 45:44

Of course!



Russ Laraway 45:44

Thank you. One is, Hey, you did a really nice job in this interview. And I'm going to be specific about why. Your preparation, it is clear that you didn't just read the book, but you you studied it. And not that everyone needs to do that. So a lot of people read, but if you're gonna interview me on a podcast, I you know, for it to be worth my time, we want to have a good conversation. And this was great.

R

Russ Laraway 46:09

Number two, just just an idea for your listeners, I just want to go back to something I said, I extensively have a bunch of managers in your audience. People want to do great work, and they want to be totally psyched while doing it. The person most likely to create or destroy those circumstances, is you the manager, don't stop looking to your left, stop looking to your right. I'm not blaming you if it's going poorly, but I am endorsing you if it's going well. You know, not a lot of managers have gaps. And you do too, probably. But absolutely, you are the one it's not the CEO. It's not the company's vision. It's not the office space. It's you. You own this and and you can do it and people just want to do great work and be totally psyched while doing it. You are the person most likely to create or destroy those circumstances. So now just go on it and make it happen. And I'm right here for you. And my goal is to make every manager measurably great. And so hopefully we can pull that off together. Cool?



Jason Knight 47:07

Hear hear!



Jason Knight 47:11

As always, thanks for listening. I hope you found the episode inspiring and insightful. If you did again, I can only encourage you to hop over to <https://oneknightinproduct.com>, check out some of my other fantastic guests, sign up to the mailing list or subscribe on your favourite podcast app and make sure you share your friends so you and they can never miss another episode again. I'll be back soon with another inspiring guest but as for now, thanks and good night.