

BAD BOSS GOOD BOSS: Self-Awareness and Managerial Power

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The moral use of managerial power is the primary determinant of success, but handling it requires self-awareness and discipline. Introducing The Pledge of Moral-Centered Management.

Paul O'Neill, former US Secretary of the Treasury, become CEO of Alcoa Aluminum in 1987. In his first week on the job, he used his enormous managerial power to make safety, not profits, his #1 priority. Wall Street predicted bankruptcy. When he retired 13 years later, Alcoa had reduced workdays lost to injury from 1.86 to 0.2 per 100 workers. Profits had quintupled.

The problem and its cause and costs

Most people are unhappy at work because their boss unknowingly misuses their managerial power. Most managers aren't aware just how much power they have over their employees: a word, a glance or even a day of neglect can make an employee feel unappreciated and unsafe, fearing for their promotion or job. The greater the power, the greater the effect: the chief executive can start a cancer of disengagement and mistrust with one thoughtless act. But we believe few bosses are really bullies, and that most misuse their power *because no one ever talked to them about it.*

This problem is expensive. Productivity, retention and innovation suffer because unhappy employees neither put in their best individual effort nor collaborate wholeheartedly. Even a 1% productivity loss has a large measurable effect on income. The primary reason people quit is that they don't trust their boss, and turnover has high direct and indirect costs. These problems compound: a decline in quality reduces customer satisfaction, reducing repeat sales and margins. Unenthusiastic collaboration reduces innovation, which degrades competitiveness and market share. Unhappy employees make more mistakes.

This problem can spiral badly. An employee's unhappiness infects others, which frustrates the boss, who might respond by trying to force results, worsening the problem. So, employees withdraw further and gossip more. The fear that the boss has created inhibits people from talking to them about the problem.

Power in and of itself is not bad; it only becomes so when we try to force the less powerful around us to submit to our personal will.
- Thich Naht Hanh

This problem is widespread. The misuse of managerial power is not limited to businesses: many NGOs and government agencies also have too many unhappy employees. Studies¹ suggest 40 to 70% of people are unhappy at their work. We believe it's simply wrong to miss opportunities to help people in any organization succeed.

What can a chief executive do to prevent the misuse of managerial power? Can they turn a problem around and create a profitable culture of trust, safety, appreciation and pride?

¹ "[Why You Are Unhappy at Work](#)." Harvard Business School. Sean Silverthorne. 22 January 2018.

Solution and its benefits

Do No Harm: The first step is for the chief executive is to make managers aware of the risk and responsibilities of managerial power and not to be afraid of talking about morality.

Lead by example. The idea of power *includes* the power of example. No policy or poster will counteract a lapse in an executive's misuse of power. No "soft skills" training provides 1% of the value of the chief's example. All the executives should exemplify kindness and patience in their daily work as well as expect them in training, recruitment, onboarding and evaluations.

Denial also creates disengagement. Some managers tell themselves, *"I leave my employees alone. I just ask them to do their jobs, and I stay out of their personal lives. Morality isn't an issue."*

Denying the effects of managerial power will still create disengagement: the proper use of power is needed to provide goals, guide behavior, gather resources and make decisions.

For some, management is a spiritual practice. The moral use of management power is manifested in kindness and patience, which every moral tradition teaches us to practice with everyone in every situation. The Golden Rule is always active.

The solution inverts the problem's costs. The moral use of managerial power produces higher productivity, higher retention and greater creativity. This generates an upward spiral of customer satisfaction, sales and margins—and a culture that attracts the best job candidates.

Take the Pledge

We believe organizations and its managers can protect against the misuse of power by adopting four principles: awareness, intention, appropriateness and introspection. Taking The Pledge for Moral-Centered Management on the next page is a good first step.

The author remembers his first job, as property manager of a downtown Chicago office building. A tenant had complained about the lobby's cleanliness, so the president of my firm paid me a visit. He could have yelled or threatened, but he just asked me to look around the lobby. "Did you see that piece of duct tape over the revolving door?" I hadn't. He smiled and left. He used kindness and patience, not power, to teach me from my mistake.

For resources, see Training at The Center for Management Terms & Practices: www.theindex.net

THE PLEDGE OF MORAL-CENTERED MANAGEMENT

The Pledge of the Organization and its Executives

Our organization will sustain its success only when all our fellow employees are happy at work, which means they feel safe, appreciated and proud. We believe the moral use of managerial power is essential to making and keeping employees happy.

None of us are perfect, and we will occasionally make mistakes in how we use our power. However, we expect every manager to strive to treat their employees as they themselves want to be treated. Managers who misuse their power can achieve a temporary, selfish success, but we make no place in our organization for bullies.

As executives, we will set good examples and will incorporate the four principles of moral-centered management in how we hire, train, evaluate and reward every employee.

The Pledge of the Manager

AWARENESS: We believe people are inherently good and want to work well with others. Simply being **aware** of how their managerial power can affect others will make managers treat their employees with kindness and patience.

Pledge: I will reflect often on the good and harm I can do with my managerial power.

Test: When was I recently reminded of the effects of my managerial power?

INTENTION: It is hard to always be kind and patient, so it is important to set an **intention** every day to help others succeed. Learning to use one's power wisely takes strength: managers must also be kind to and patient with themselves.

Pledge: I will use my managerial power every day to help others succeed.

Test: When did I last use my power to help an individual or group succeed?

APPROPRIATENESS: Policies provide general guidelines, but every person and situation are different, so managers must listen carefully and treat each employee **appropriately**.

Pledge: I will think about each employee so I can manage them well in each situation.

Test: How have I managed people differently in similar situations?

INTROSPECTION: Learning to use managerial power wisely requires **introspection**, asking questions about one's own attitudes and beliefs as well as past words and actions.

Pledge: I will take pride in the moral lessons of being a good manager.

Test: How is being a manager making me a better person?