The Manager Multiplier

Why leadership development has to reach beyond the executive suite, and what a complete system looks like

POSITION Consultants
Perspective Paper

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ABSTRACT

Many organizations concentrate leadership development at the top and hope the effect travels down. Research on engagement suggests a great deal of the leverage sits with the managers in between: strategy reaches daily work through them.

This paper argues that effective leadership development is a **system**, not an event. It connects four elements — assessment, coaching, team alignment and structured learning — and it targets a different outcome at each level of the organization.

Keywords: Managers; Leadership development; Coaching; 360 feedback; Team alignment; Learning design

KEY POINTS

1. Gallup estimates that managers account for at least 70% of the variance in engagement scores between business units — a finding about differences between teams, not a prediction for any one person or organization.
2. Strong individual contributors don't automatically become strong managers, and company-wide averages can hide wide differences between teams.
3. Development works best as a connected system — assess, coach, align the team, learn by applying — with different targets for executives, managers and all staff, and agreed indicators from the start.

1 Why managers are the multiplier

Gallup's researchers Randall Beck and Jim Harter report that managers account for at least 70% of the variance in employee engagement scores across business units [1].

ABOUT THIS EVIDENCE

This is an estimate about why engagement scores *differ between business units*. It does not mean a manager determines 70% of any individual's engagement, and it doesn't predict results in a particular organization. Gallup's public article does not publish the full statistical model behind the figure.

Gallup's broader research links engagement at the business-unit level to outcomes such as customer loyalty, profitability, productivity, quality, turnover and safety. Its 2024 meta-analysis [3] draws on 736 studies covering more than 183,000 business or work units.

ABOUT THIS EVIDENCE

These are associations across many units, not the result of a single controlled intervention, and they describe units rather than individuals.

Gallup also estimates that about one in 10 people possess the talent to manage [2], and reports that managers commonly cite success in a previous non-managerial role, or their tenure, as the reason they were hired into management.

ABOUT THIS EVIDENCE

The one-in-ten figure is Gallup's assessment-based estimate, and the hiring reasons are managers' own accounts. Neither means that only a tenth of people can learn to manage.

Two implications follow:

- **Selection and development both matter.** Strong individual contributors do not automatically become strong managers.
- **Averages hide the problem.** Company-wide scores can conceal wide differences between teams — and that variation is where leadership quality shows up.

FROM CONSULTING PRACTICE

In our own discovery work, interviewees often describe managers who are supportive but overwhelmed, with rushed performance conversations and generic feedback. The shortfall is rarely intent; it is capability, capacity and tools.

2 A complete leadership system

A single workshop rarely changes behavior. Lasting change comes from a connected sequence.

2.1 Assess: start with an honest picture

Multi-rater (360) feedback, behavioral assessments, and communication and conflict-style mapping give leaders a shared, evidence-based starting point. For executive teams, comparing individual results with the team's collective pattern is often more revealing than any single report. Recurring themes — conflict avoidance, delegation gaps, trust and psychological safety, external presence — become visible when results are read together.

2.2 Coach: apply the insight to real situations

Coaching converts assessment data into practice. Regular sessions focused on specific situations, goals and behaviors help leaders test new approaches while the stakes are real. For senior leaders, confidentiality matters, as does clarity about the purpose of the engagement: development, transition or remediation each call for a different design.

2.3 Align the team: decide, communicate and work together

A leadership team is more than the sum of its members. Useful team work includes a shared view of strengths when operating at their best, an honest account of how the team behaves under pressure, what that costs, and which situations trigger it. Teams that can name their triggers can interrupt them.

2.4 Learn: design for application, not attendance

Learning strategy starts with the organizational need, then works back to content, format and follow-through. We favor practical application — real cases, tools people take back to their desks, and an implementation project attached to each learning block — over theory.

3 Different levels, different targets

Table 1. Leadership development targets by level

Level	Primary outcome	Typical focus
Executives	Strategic clarity and cross-organizational alignment	Team effectiveness, enterprise decisions, sustaining energy through change
Directors and managers	Translate strategy into departmental action	Coaching and feedback, cross-functional influence, role-modeling
All staff	Ownership of their own development	Career vision, business understanding, collaboration

FROM CONSULTING PRACTICE

We design programs so that each level works on a different outcome — for example, executives on organizational change and collaboration across units, managers on supporting the executive vision, and all staff on personal accountability.

4 Keep expectations few and clear

Competency models often grow until nobody can use them. More expectations tend to create confusion and less focus. A smaller set — a few core competencies for everyone, a couple for people managers, and a couple that are essential to the role — is easier to teach, coach and assess.

5 Measuring whether it worked

Avoid measuring only satisfaction with the training. Track a mix of indicators:

- **Leading indicators:** coaching conversations held, career-vision conversations in one-on-ones, use of shared tools and language.
- **Lagging indicators:** engagement and learning-and-development scores by team, retention of high-potential talent, cross-functional effectiveness feedback, readiness for promotion.
- **Qualitative evidence:** stories of ownership, examples of influence without authority, and leaders' bandwidth for strategic work.

We do not promise a specific financial return from development. We agree on indicators at the outset and report progress against them regularly.

6 Implications for leaders

- **Invest where strategy meets daily work.** Development that stops at the executive team leaves the biggest lever untouched.

- **Choose managers for the role, not as a reward.** Treat selection into management as its own decision, then develop the people you choose.
- **Look at the spread, not just the average.** Compare teams to find where leadership support is needed most.
- **Build a system, then measure it.** Connect assessment, coaching, team alignment and learning, and agree indicators before you start.

7 Limitations

- Gallup's 70% figure estimates differences in engagement between business units; it is not a measure of any individual manager's effect, and the full model is not published in the article.
- The "about one in 10" figure is Gallup's assessment-based estimate, and managers' hiring reasons are self-reported.
- Gallup's meta-analysis reports associations across business units, not the results of a single controlled intervention.
- Observations about program design and managers' experience come from consulting practice.

8 Questions for discussion

For a leadership team conversation. There are no right answers or scores.

1. How do we choose and prepare people to become managers?
2. Do we know the engagement spread between our best and weakest teams?
3. Where does our senior team default to old patterns under pressure?
4. Does each level know what is expected, and are those expectations few enough to remember?
5. What follows a workshop: tools, reinforcement, measurement, or nothing?

References

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