

KELLY GLOBAL WORKFORCE INDEX™

THE LEADERSHIP DISCONNECT



168,000 PEOPLE
RELEASE: AUGUST 2012
30 COUNTRIES

KELLY

PERCENT OF WORKERS WHO ARE DISSATISFIED WITH THEIR MANAGEMENT'S LEADERSHIP STYLE (TOP 10 COUNTRIES)

Eight out of 10 countries who experience the highest levels of leadership dissatisfaction are in Europe

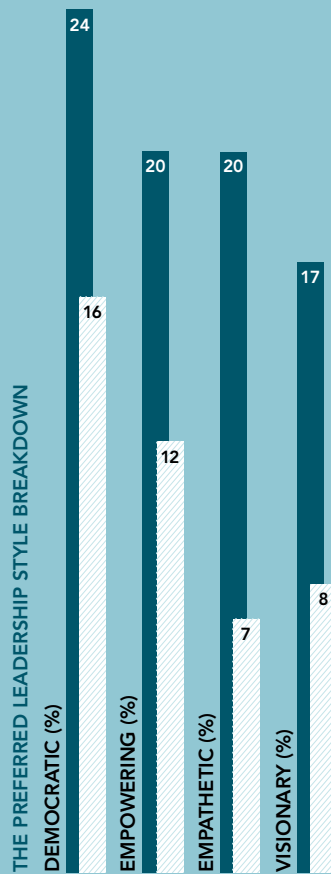
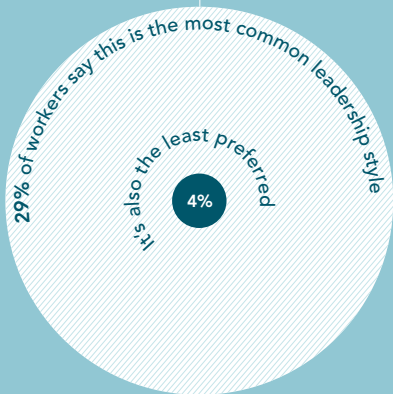
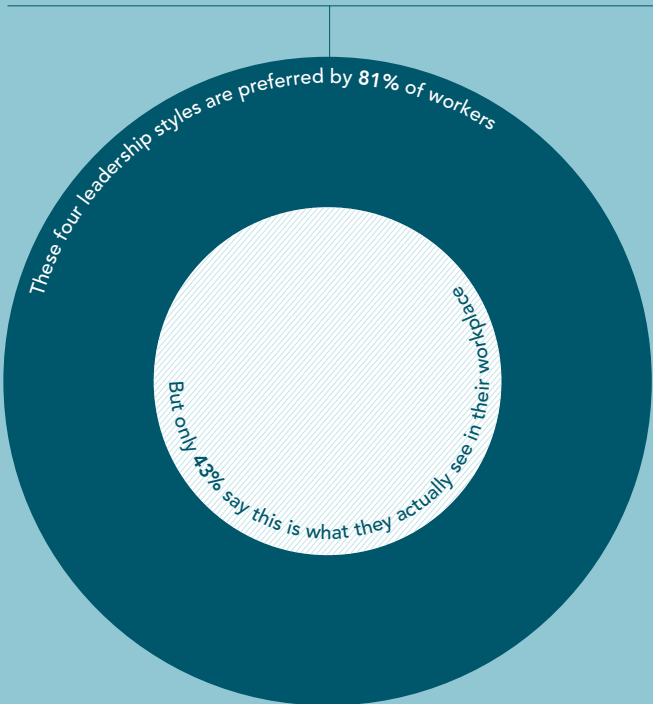


LEADERSHIP: WHAT YOU WANT AND WHAT YOU GET

PREFERRED LEADERSHIP STYLE **ACTUAL LEADERSHIP STYLE**

- DEMOCRATIC**
Favors team involvement/decision-making by the group; gives instruction after consulting the group
- EMPOWERING**
Fosters/allows workers to have direct decision-making responsibilities
- EMPATHETIC**
Sets a tone so workers feel engaged, valued, and guided to succeed
- VISIONARY**
Provides clear vision/foresight, allowing for cohesive progress towards a shared vision

AUTHORITATIVE
Direct approach; expects that directives will be followed



48

percent of workers worldwide that reported they feel inspired by their manager to do their best work

38

percent of workers worldwide that said they either didn't believe in their employer's mission/purpose, or didn't know it

60

percent of workers worldwide who speak highly of their employer—the most positive countries include Norway, Russia, Mexico, Sweden, United States and Italy



PERCENT OF WORKERS INSPIRED BY THEIR MANAGERS TO DO THEIR BEST WORK (BY COUNTRY)



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THE KELLY GLOBAL WORKFORCE INDEX 2012

The *2012 Kelly Global Workforce Index* (KGWI) brings together the findings from almost 170,000 respondents from 30 countries. It shows the results of diverse forces impacting the contemporary workplace, including generational and geographic diversity, the impact of mobile technologies, employee empowerment, and the widespread use of social media.

This third installment of the 2012 KGWI examines the issue of leadership in the contemporary workplace from the employee perspective. It explores the way that workers think about the quality, direction, and style of leadership, and the degree to which they share the goals of those who head their organizations.

The paper examines the leadership issue across industry sectors, and globally, across the Americas, APAC, and EMEA regions. It also includes a generational perspective, with a focus on the three main workforce generations—Gen Y (age 19–30), Gen X (age 31–48), and Baby Boomers (age 49–66).

WHO'S LISTENING TO OUR BUSINESS LEADERS?

Business literature is bursting with advice on the development of leadership in modern business. Yet, much of what our business leaders are saying is not being heard.

Not only are workers not heeding the message from the top, they are questioning core principles that underpin the businesses for which they work.

The latest survey results show that, globally, just 38% of respondents are satisfied with their current management's leadership style.

What are we to make of this? Are the messages from the top unclear, or are the leaders themselves not right for the job?

The question of leadership style in the workplace focuses attention on the differing approaches to leadership and management. Leadership is about many things—vision, performance, motivation, and insight, as well as technical ability. Often, leadership is also about what “works”. Workers have an innate understanding about what works and what doesn't when it comes to management oversight, since they observe it closely every day.

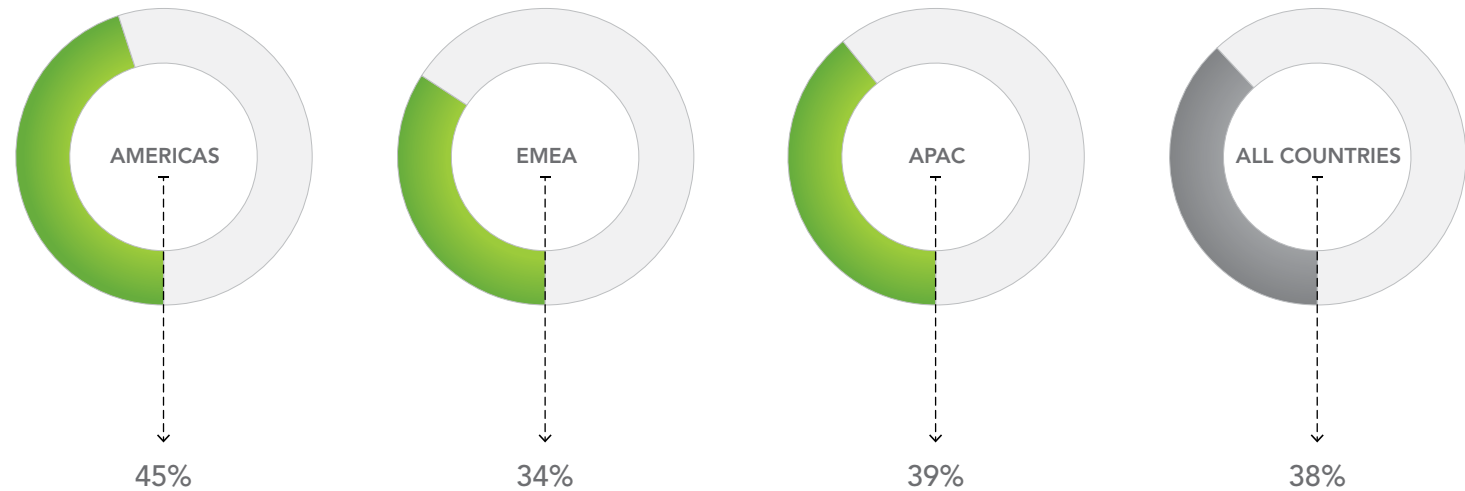
DIFFERENT LEADERSHIP STYLES DEFINED

DEMOCRATIC:	Favors team involvement/decision-making; gives instruction after consulting the group
AUTHORITATIVE:	Direct approach; expects that directives will be followed
VISIONARY:	Provides clear vision/foresight, allowing for cohesive progress towards a shared vision
EMPOWERING:	Fosters/allows workers to have direct decision-making responsibilities
EMPATHETIC:	Sets a tone so workers feel engaged, valued, and guided to succeed
HUMBLE SERVITUDE:	Focuses on listening; establishes a spirit of service for workers
MORAL/ETHICAL:	Insistence on ethical behavior by all, practicing the “Golden Rule” in all company dealings

LEADERSHIP STYLE (BY REGION)

→ The most favorable assessment comes from workers in the Americas, where 45% say they are satisfied with their current management's leadership style. This is significantly higher than the average across all regions, with only 34% of workers reporting they are satisfied in EMEA and 39% voicing their satisfaction in APAC.

How satisfied are you with your management's leadership style? (Total satisfied %, by region)



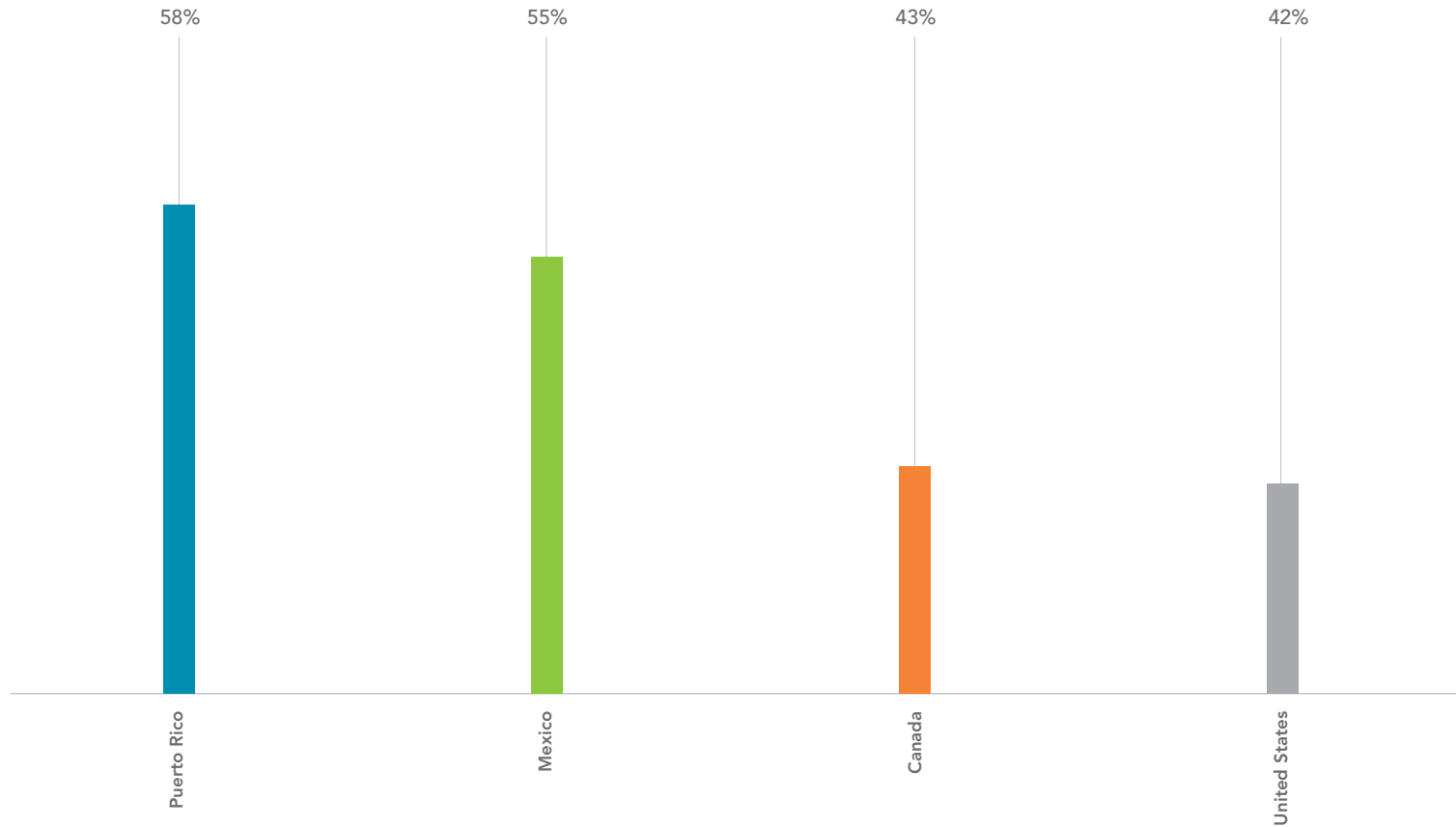
LEADERSHIP STYLE: AMERICAS

→ The Americas region is doing far better than elsewhere around the globe when it comes to employee satisfaction with management's leadership style, and the standout performers in the Americas are Puerto Rico and Mexico.

With well over 50% of workers satisfied with their management's leadership style, the two countries are well above the global average of 38%.

While Canada and the United States are at the lower end of the Americas region on this score, they are both above the global average.

How satisfied are you with your management's leadership style? (Total satisfied %, by country)



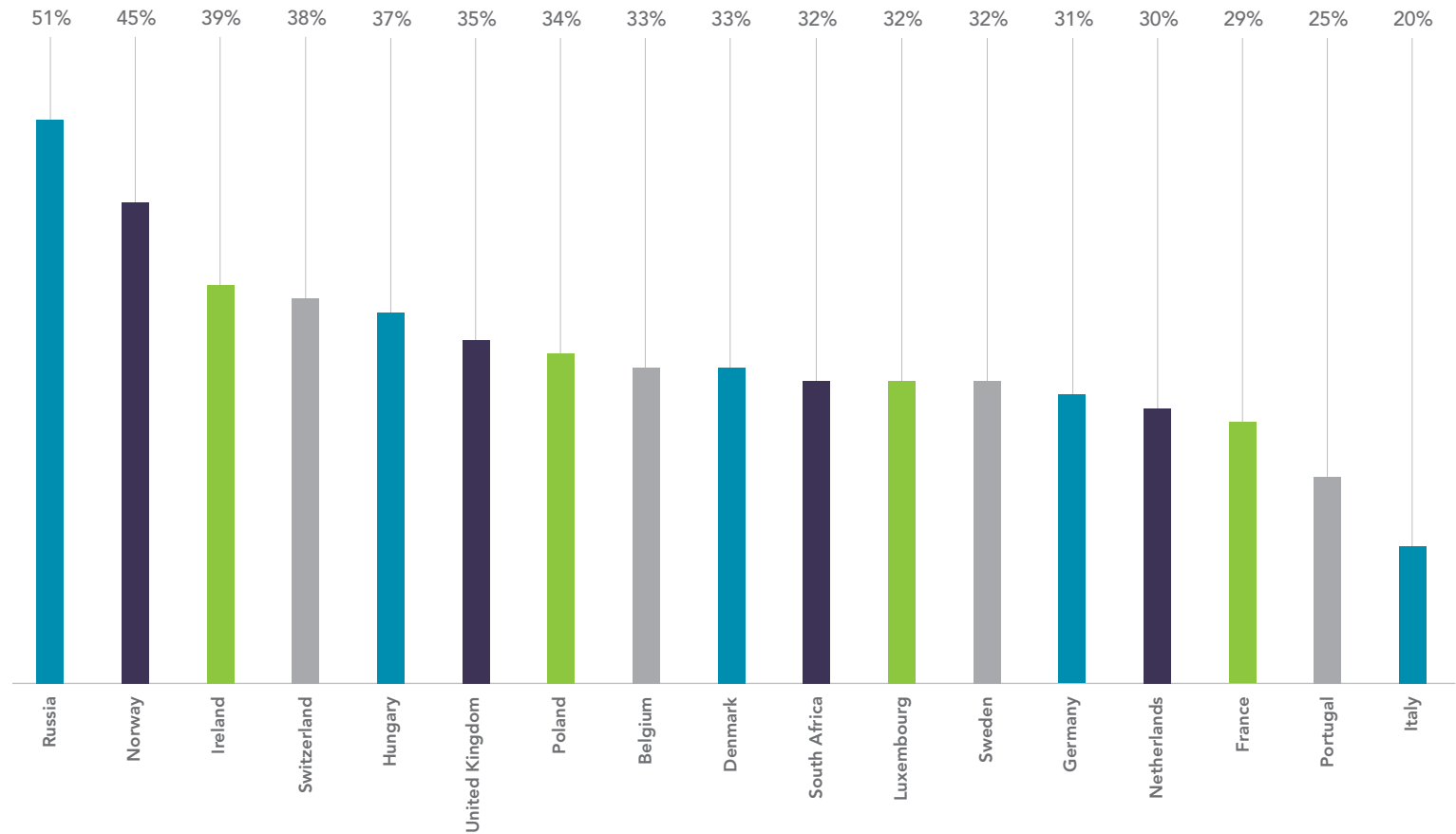
LEADERSHIP STYLE: EMEA

→ The EMEA region is the worst performing of the major global regions on the issue of leadership style satisfaction.

Within the EMEA region, the most successful countries—in terms of leadership style satisfaction—are Russia, Norway, and Ireland, which all sit above the average for the region.

The major economies of Germany and France sit below the regional average. The United Kingdom is performing consistently with the average for the EMEA region, while Italy and Portugal are the worst performers.

How satisfied are you with your management's leadership style? (Total satisfied %, by country)



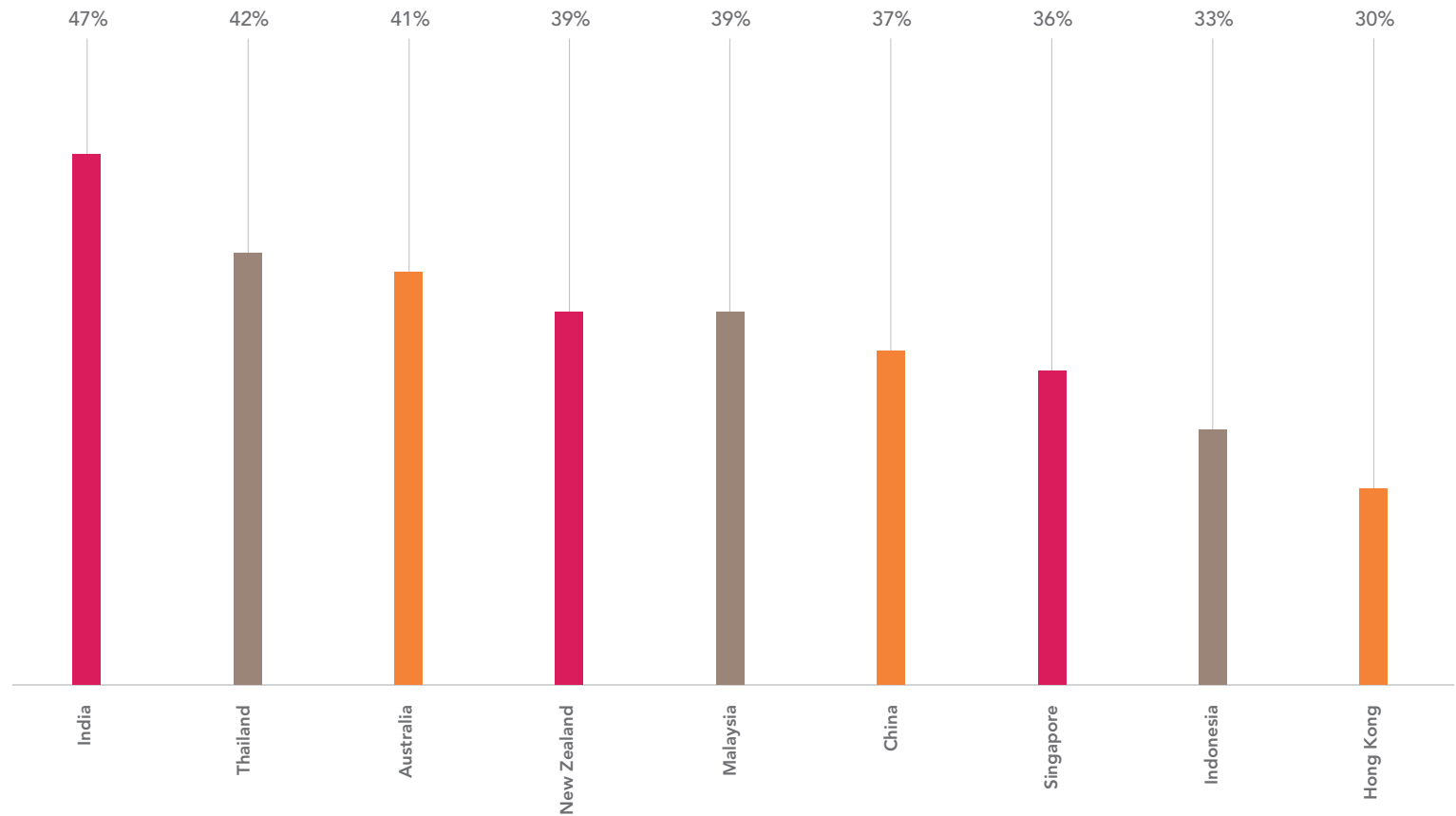
LEADERSHIP STYLE: APAC

→ The APAC region sits midway between the Americas and EMEA on the global measure of leadership style satisfaction, with an average 39% of workers satisfied with their management's leadership style.

Within the region, there is a wide range of performance with India, Thailand, and Australia all sitting comfortably above the average for the region.

At the other end of the scale, both Hong Kong and Indonesia rate lowest in APAC.

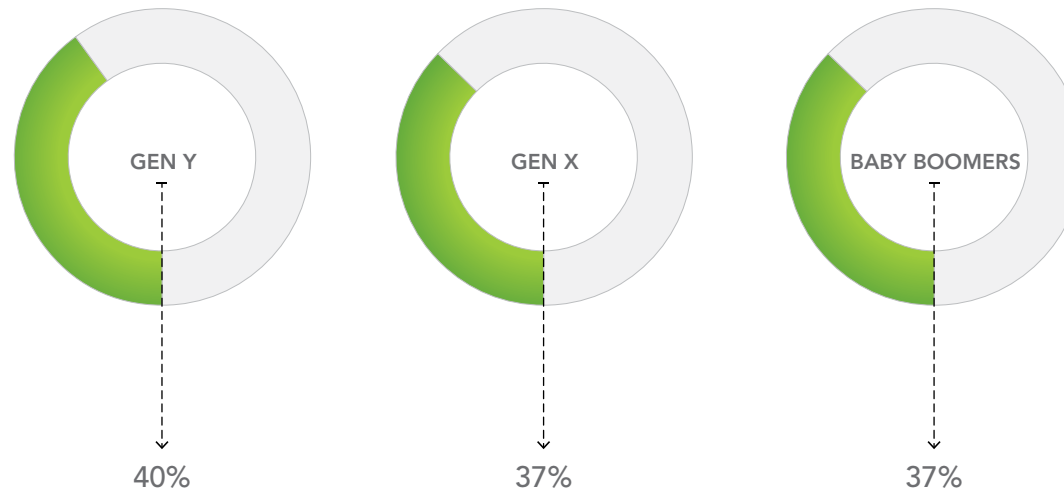
How satisfied are you with your management's leadership style? (Total satisfied %, by country)



LEADERSHIP STYLE (BY GENERATION)

→ Amongst the main workplace generations, Gen Y are more satisfied with their management's leadership style (40%) compared with Gen X and Baby Boomers (both 37%).

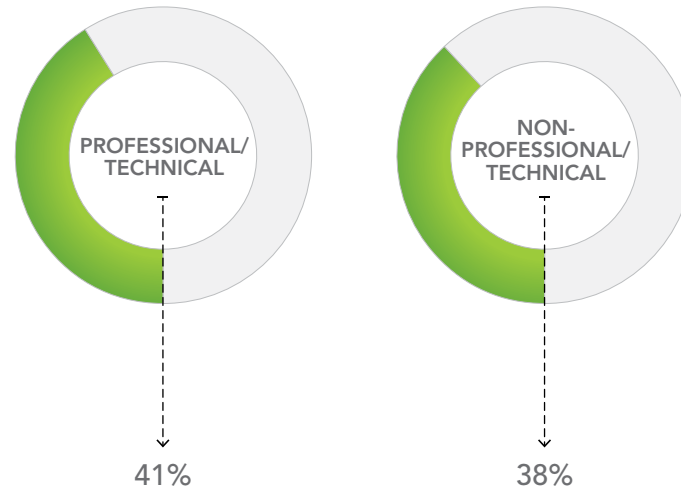
How satisfied are you with your management's leadership style? (Total satisfied %, by generation)



LEADERSHIP STYLE (BY PROFESSIONAL/TECHNICAL AND NON-PROFESSIONAL/TECHNICAL)

→ Workers with a Professional/ Technical (P/T) skill set are more content with their management's leadership style (41%) compared with those with non-P/T skill sets (38%).

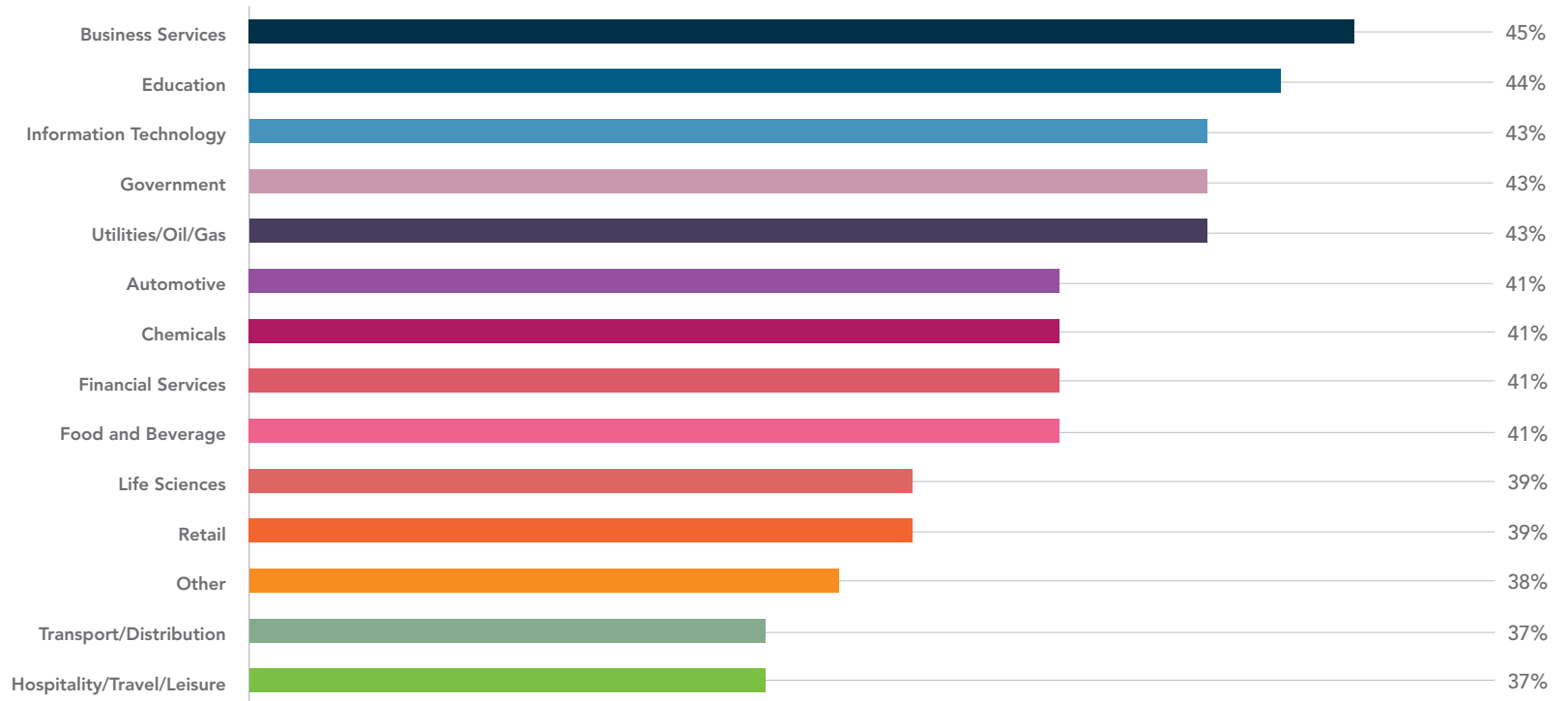
How satisfied are you with your management's leadership style? (Total satisfied %)



LEADERSHIP STYLE (BY INDUSTRY)

→ It is possible to gauge the effectiveness of leadership style within distinct industry sectors. The industries where workers cite the highest levels of satisfaction with management's leadership style are: Business Services, Education, IT, Government, and Utilities/Oil/Gas. Those with the lowest levels of satisfaction are Hospitality/Travel/Leisure and Transport/Distribution.

How satisfied are you with your management's leadership style? (Total satisfied %)



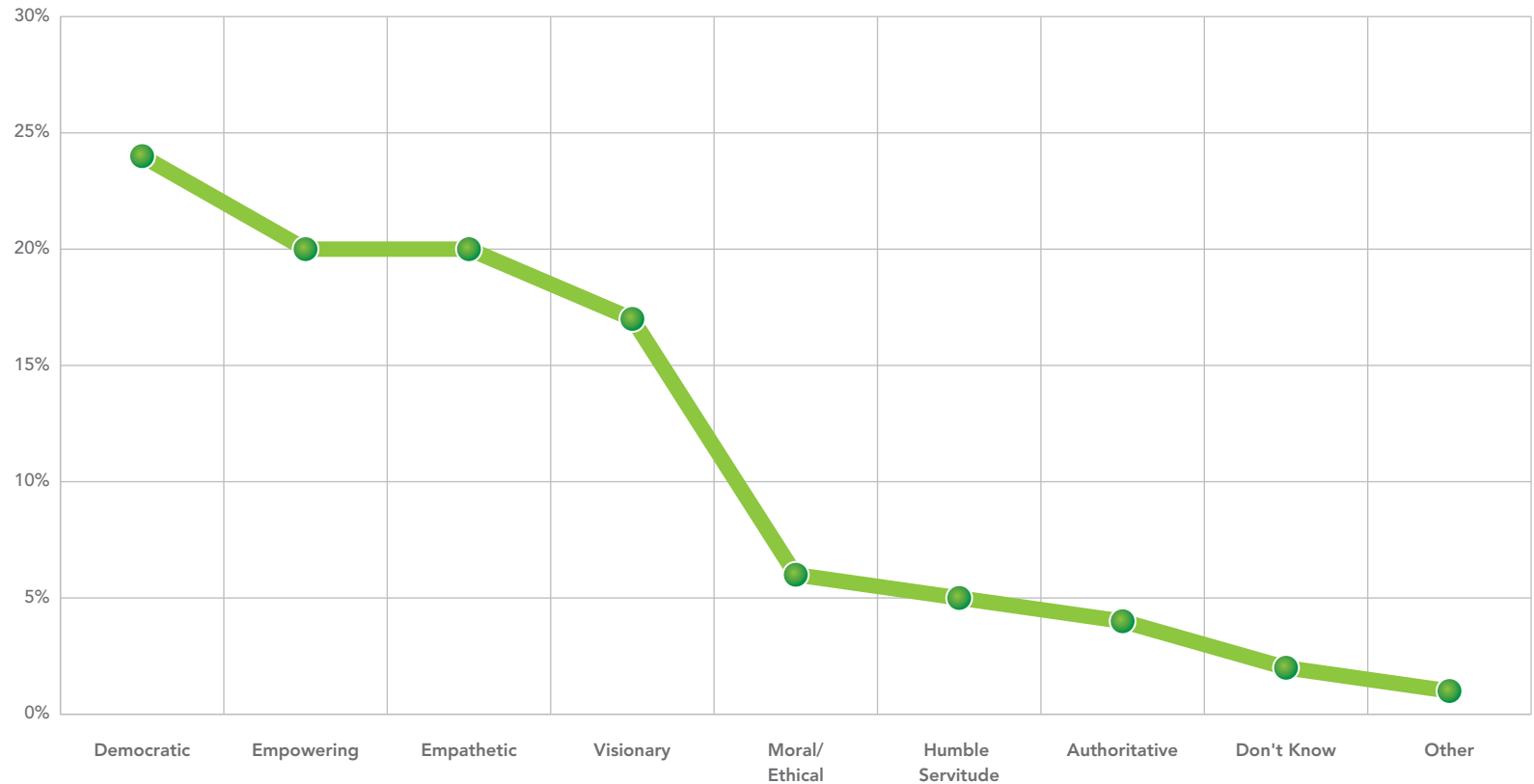
PREFERRED LEADERSHIP STYLE

→ When workers are asked their opinion on their preferred leadership style, we see a very clear preference.

From a range of choices, the preferred leadership style is one described as “democratic”, nominated by 24% of respondents. This is followed by “empowering” (20%), “empathetic” (20%), and “visionary” (17%).

Together, the democratic, empowering, empathetic, visionary modes of leadership make up an overwhelming 81% of the preferred choices. And while no one leadership style dominates as the preferred choice, democratic, empowering, empathetic, and visionary styles of leadership resonate most strongly among workers. Workers clearly opt for a leadership style that some might say emphasizes the “soft” skills—communications, vision, empathy, team building, and individual empowerment.

Which of the following do you prefer as a leadership style in the workplace?



LEADERSHIP STYLE: PREFERRED VS. ACTUAL

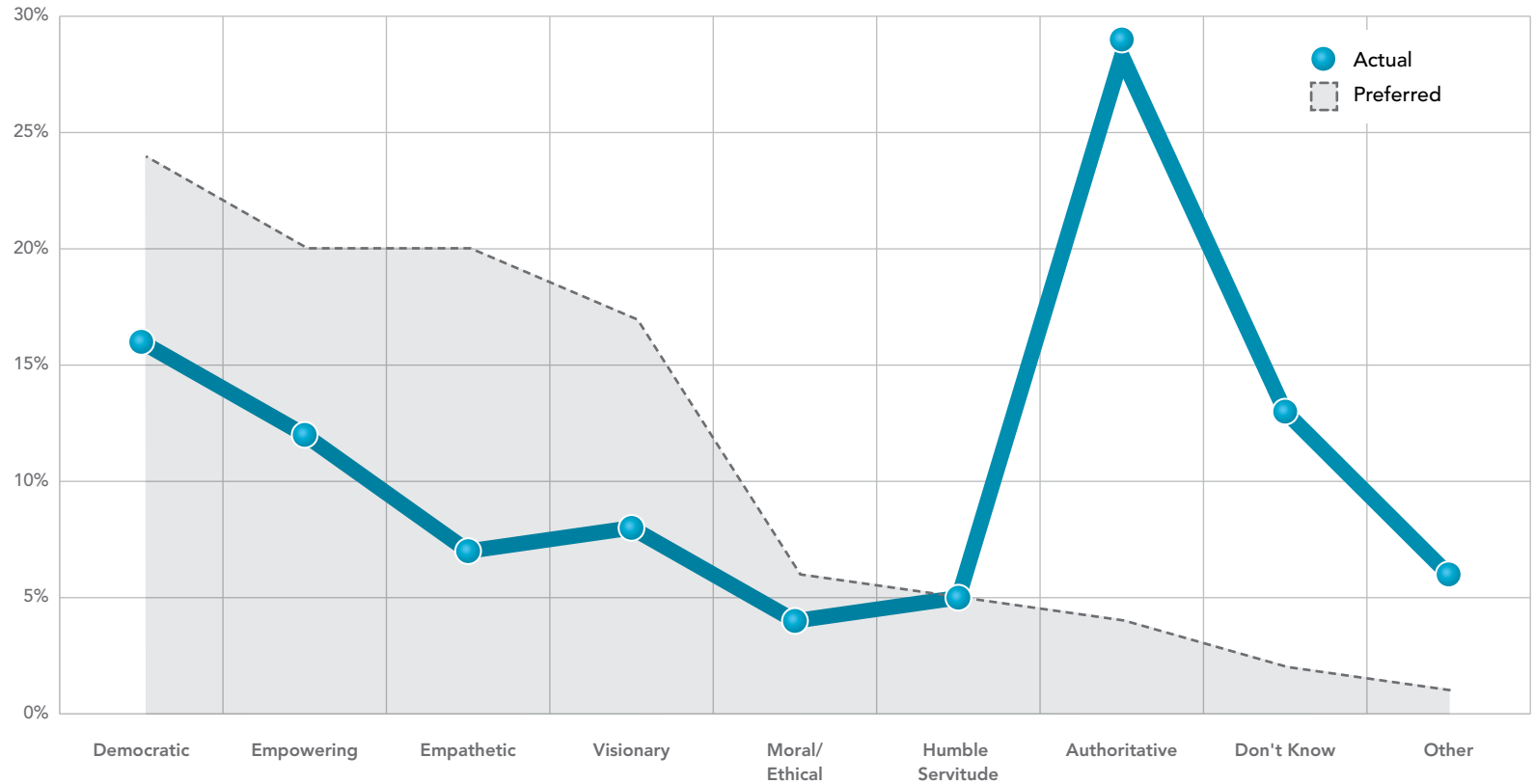
→ In contrast to the preferred modes of leadership nominated by workers, what they actually get is something different altogether.

The most common style of leadership is "authoritative," cited by 29% of workers. It's also the least preferred.

When it comes to the democratic, empowering, empathetic, visionary modes of leadership that are preferred by 81%, just 43% say this is what they are actually seeing in their workplace.

In other words, there is a significant disconnect between the leadership/management style workers are seeking and what they are getting.

Which leadership style does your current manager display and which leadership style do you prefer?

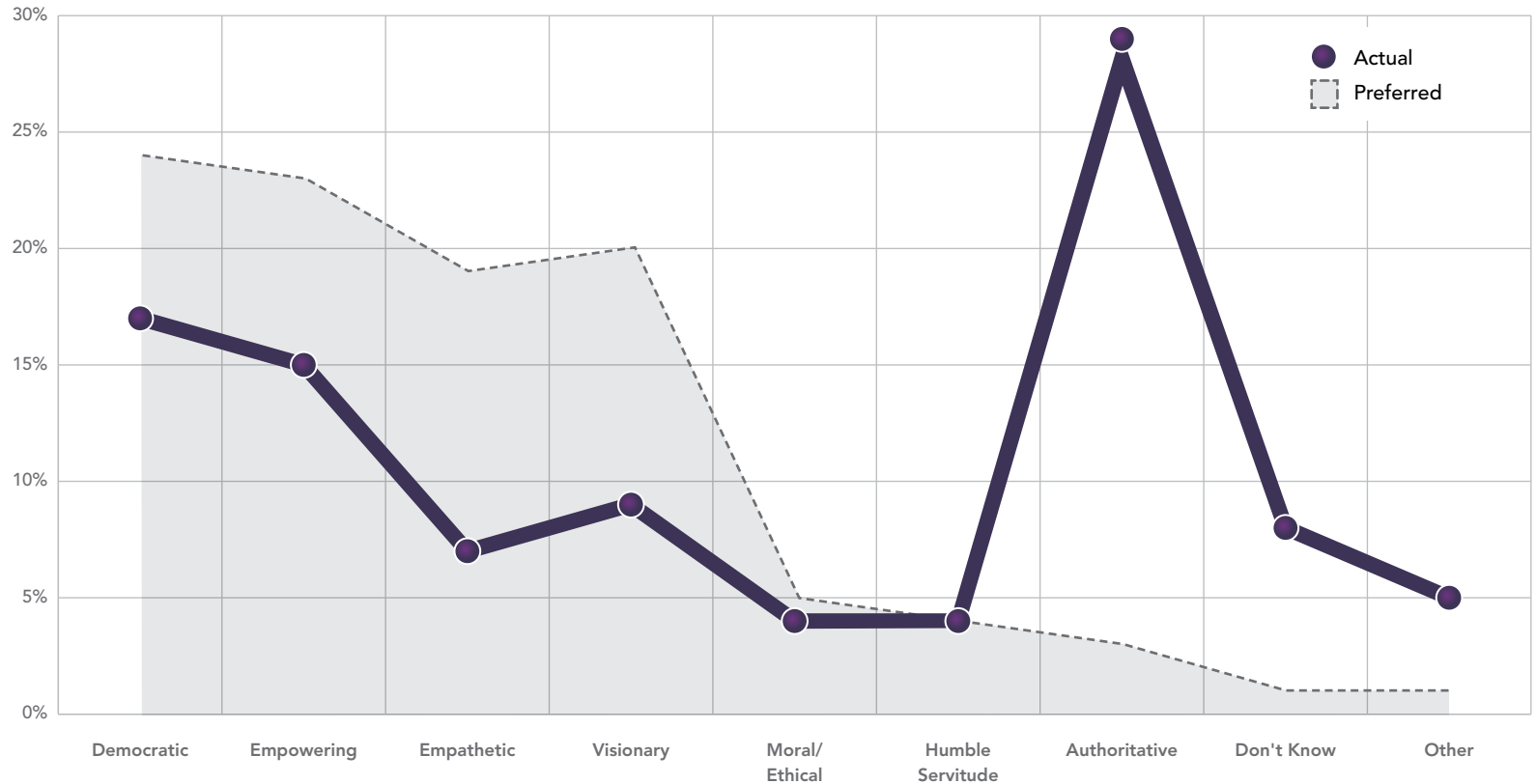


LEADERSHIP STYLE: PROFESSIONAL/TECHNICAL WORKERS – PREFERRED VS. ACTUAL

→ The prevalence of the authoritative leadership style is an intriguing finding, and one that clearly sits uncomfortably with workers. For organizations that have a corporate culture that relies on a command structure, this won't be such an issue. But for the many businesses that promote collaboration, and want to harness the full depth of their talent pool, it will be problematic.

Among respondents in the Professional/ Technical category, the trend is also evident. The authoritative leadership style is the prevailing approach, yet it is the least preferred. Across all of the most preferred leadership styles, workers report that they are not getting what they expect.

Which leadership style does your current manager display and which leadership style do you prefer?



FILLING THE MANAGEMENT VACUUM

One of the chief goals of an effective leader is to motivate staff to achieve higher performance. Yet, something seems amiss when it comes to the way workers evaluate the performance of their managers.

Only around half (48%) of those surveyed say that they are inspired by their current manager to perform their best work.

Business leaders struggle with ways to lift workplace productivity through measures

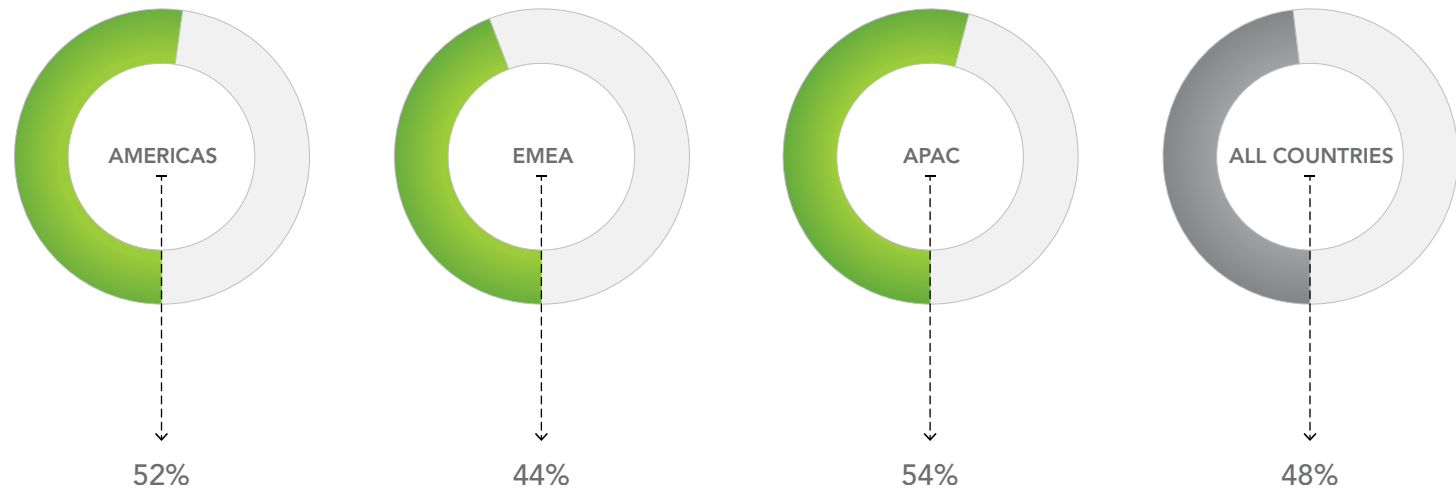
such as technology, training, and other workforce development tools. What is clear is that many workers recognize that these efforts are largely unsuccessful in encouraging their personal best at work.

It raises the question as to whether managers are ill-prepared or that we simply have the wrong ones. Or perhaps the harried pace of the modern workplace has altered what leaders can provide and what workers should expect.

MANAGERIAL INSPIRATION (BY REGION)

→ The lowest level of managerial inspiration is in the EMEA region, where just 44% of workers are motivated by their managers. On average it's significantly higher in the Americas (52%) and the APAC region (54%).

Does your current manager inspire you to do your best work? (% Yes, by region)

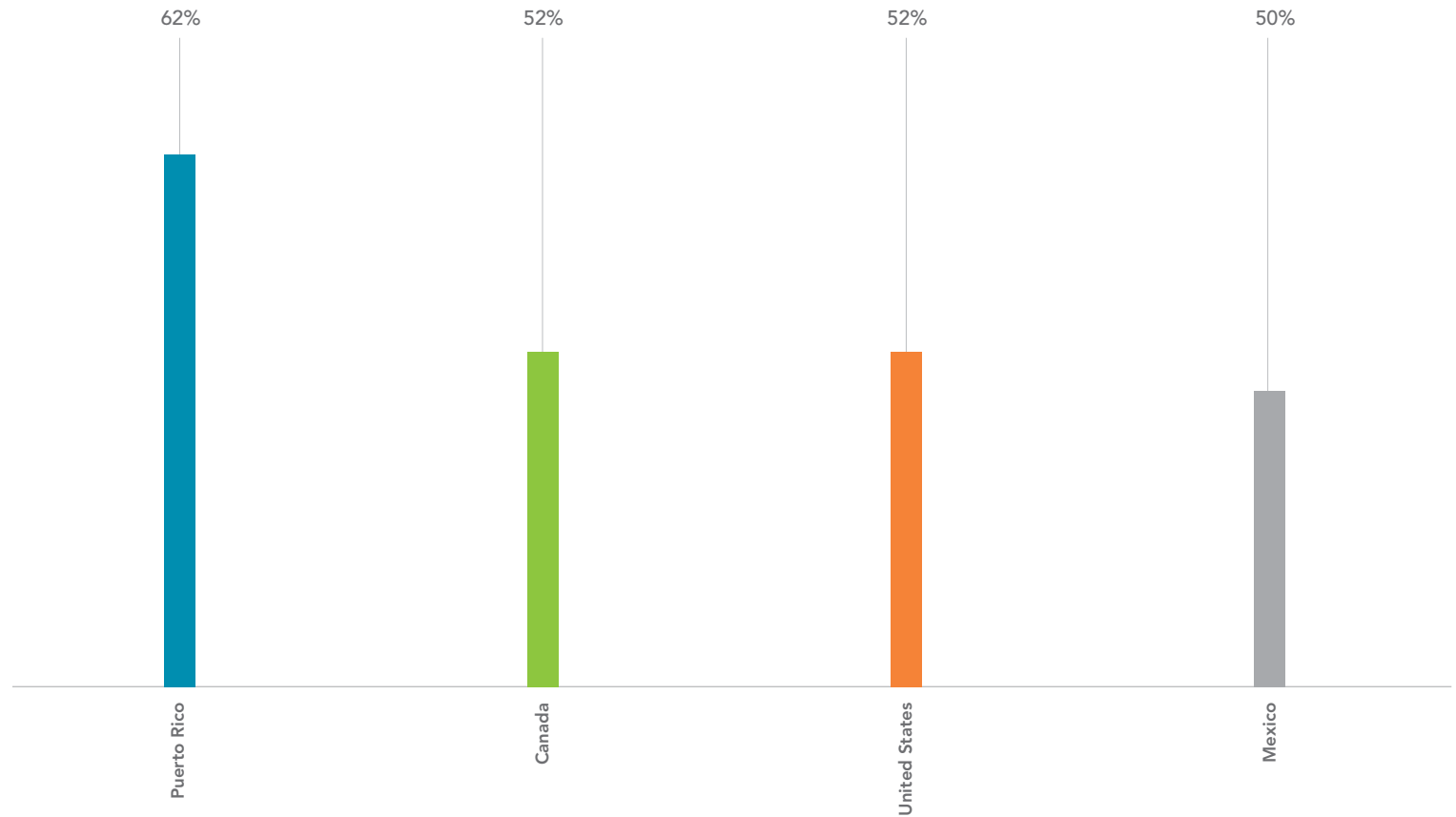


MANAGERIAL INSPIRATION: AMERICAS

→ The Americas region boasts the top marks for managerial inspiration, with more than half (52%) of workers agreeing that they are pushed to do their best work.

Within the Americas, Puerto Rico at 62% is the top performer, while Canada, United States, and Mexico are all well above the global average.

Does your current manager inspire you to do your best work? (% Yes, by country)

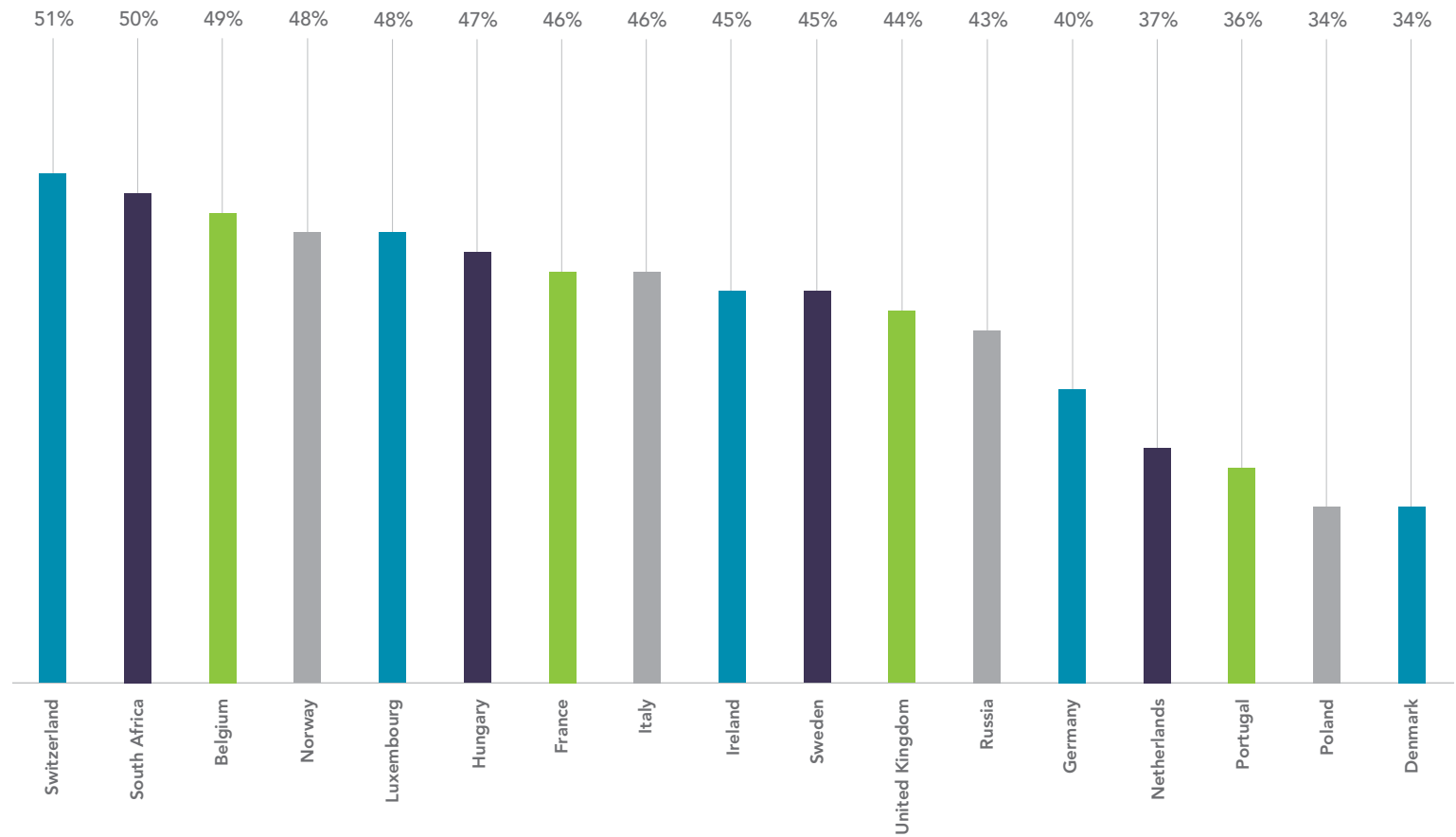


MANAGERIAL INSPIRATION: EMEA

→ EMEA trails both the Americas and APAC on the issue of management inspiration, but there is significant diversity across the region.

Switzerland, South Africa, and Belgium are all among the best rated on a global scale, but Denmark, Poland, and Portugal rate among the lowest.

Does your current manager inspire you to do your best work? (% Yes, by country)



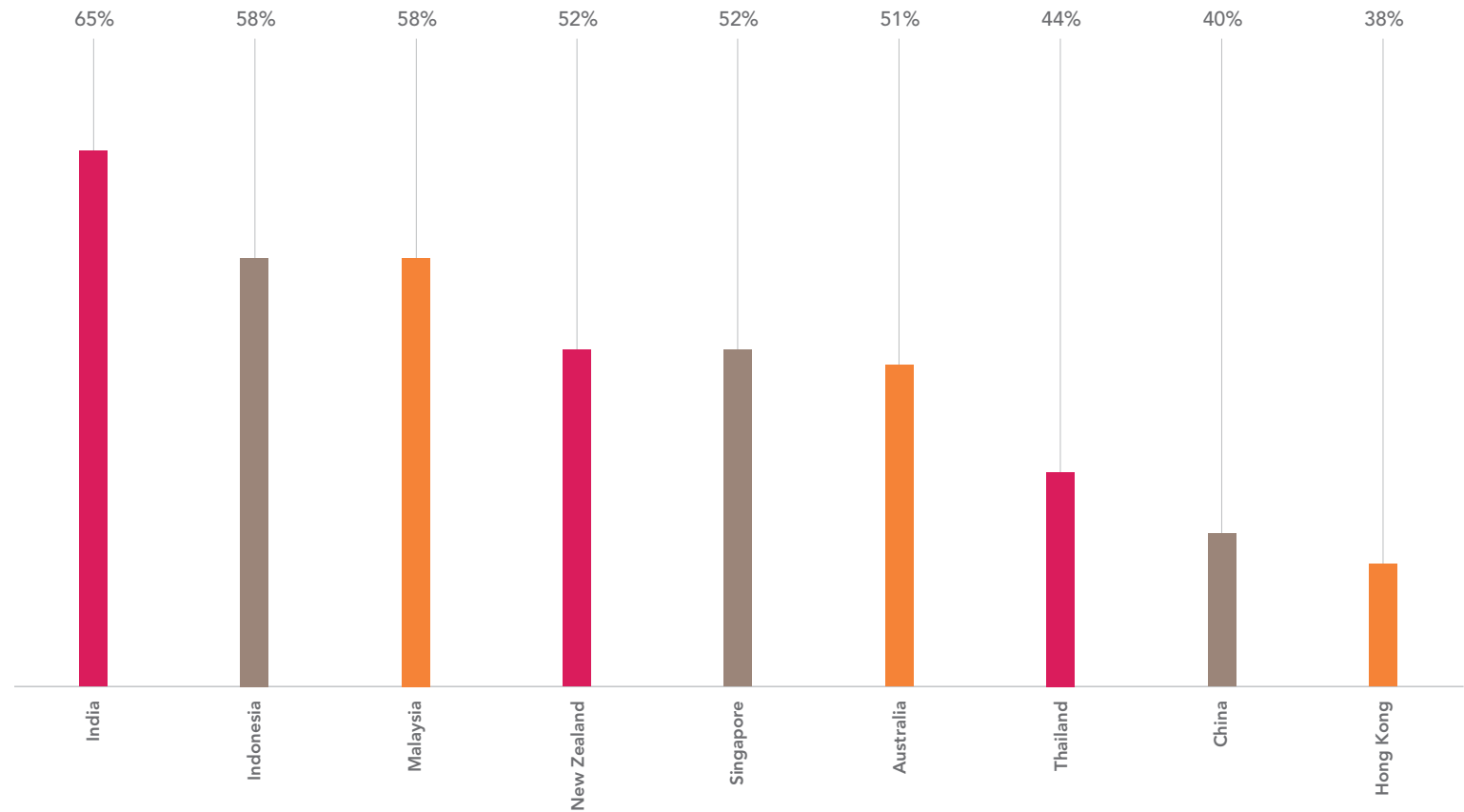
MANAGERIAL INSPIRATION: APAC

→ The APAC region, as a whole, rates relatively well on this score, but its great diversity masks some poor performers in the management stakes.

The standout top performers are India, Indonesia, and Malaysia, with well over half of workers giving their management high marks for inspiring leadership.

At the other extreme, management in Hong Kong and China received poor marks in the eyes of their country's workers.

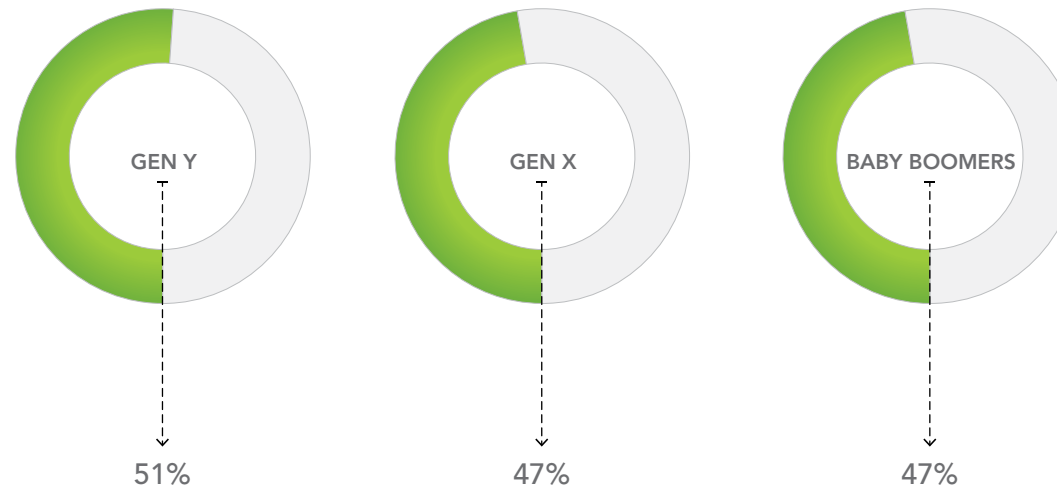
Does your current manager inspire you to do your best work? (% Yes, by country)



MANAGERIAL INSPIRATION (BY GENERATION)

→ When viewed from a generational perspective, Gen Y appear to be getting a slightly better outcome (51%) than Gen X and Baby Boomers (both 47%). However, overall the results do not reflect well on the ability of management to lift the workforce to higher levels of performance.

Does your current manager inspire you to do your best work? (% Yes, by generation)

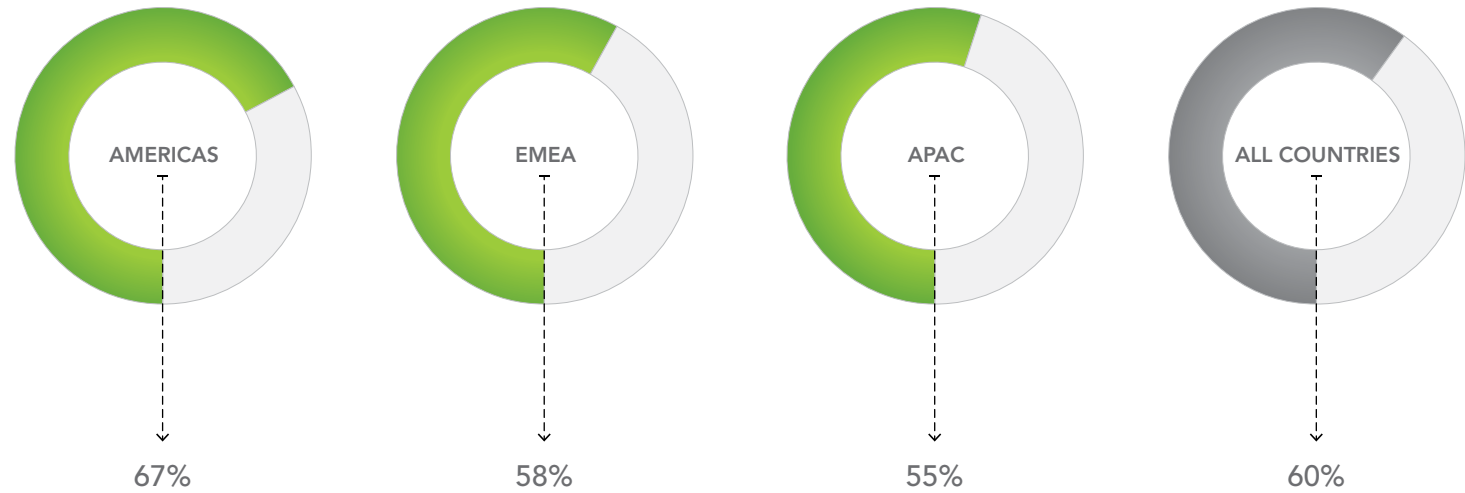


FEEDBACK ON EMPLOYER (BY REGION)

→ There is also the issue of the way that superior leadership translates into perceptions about the best places to work. Workers use a variety of methods, including social media, to communicate with their peers about work, company culture and leadership.

When asked, 60% of respondents, globally, say that they speak highly of their employer to third parties. But there is a significant variation across the globe. In the Americas, more than two-thirds (67%) say they speak highly of their employer, but this drops to 58% in EMEA and 55% in APAC.

When speaking to others, do you speak highly of your employer? (% Yes, by region)

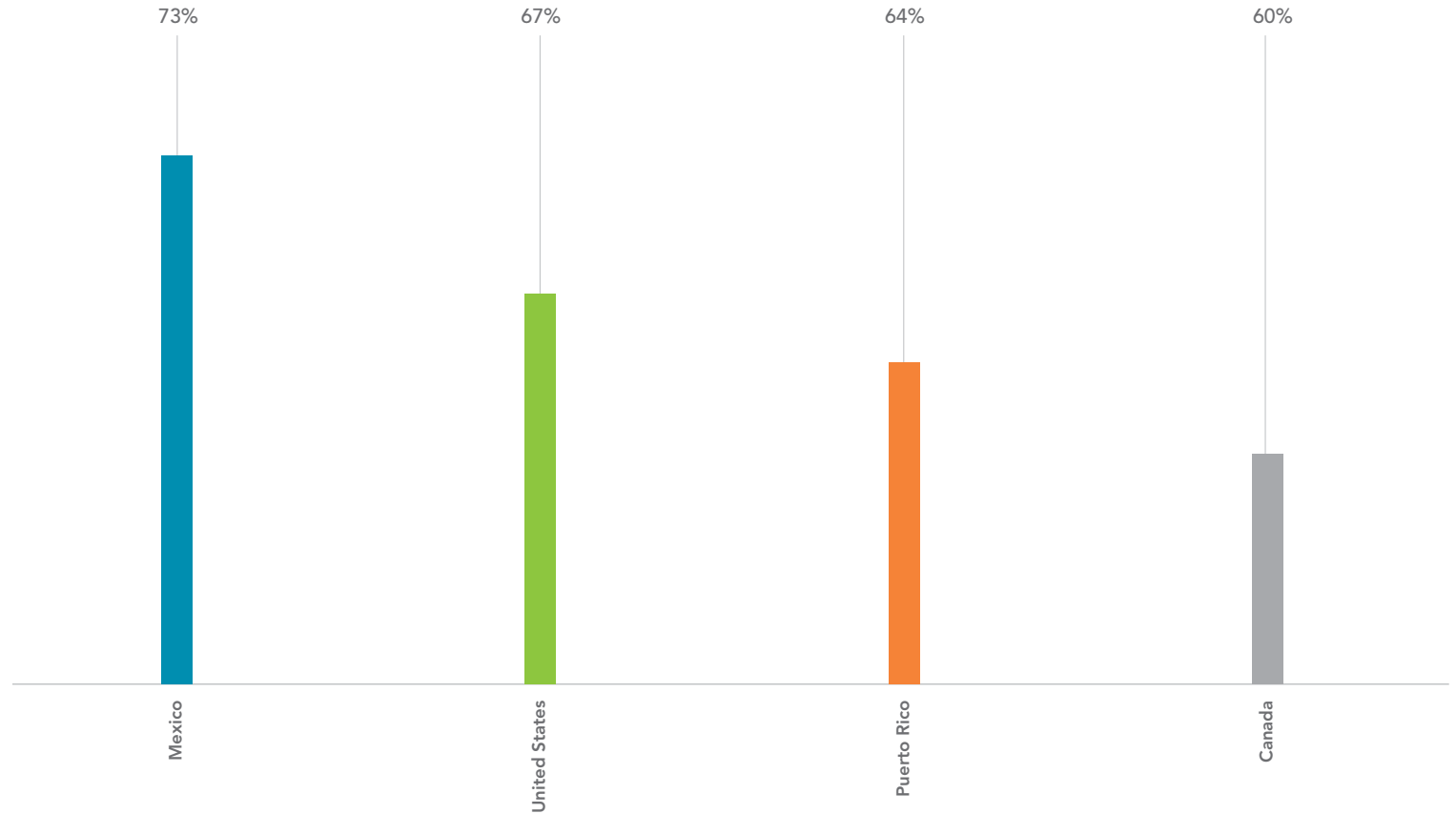


FEEDBACK ON EMPLOYER: AMERICAS

→ The Americas region enjoys a very high level of positive employee feedback.

The highest is in Mexico, where almost three-quarters of workers speak highly of their management, followed by the United States (67%), Puerto Rico (64%), and Canada (60%).

When speaking to others, do you speak highly of your employer? (% Yes, by country)



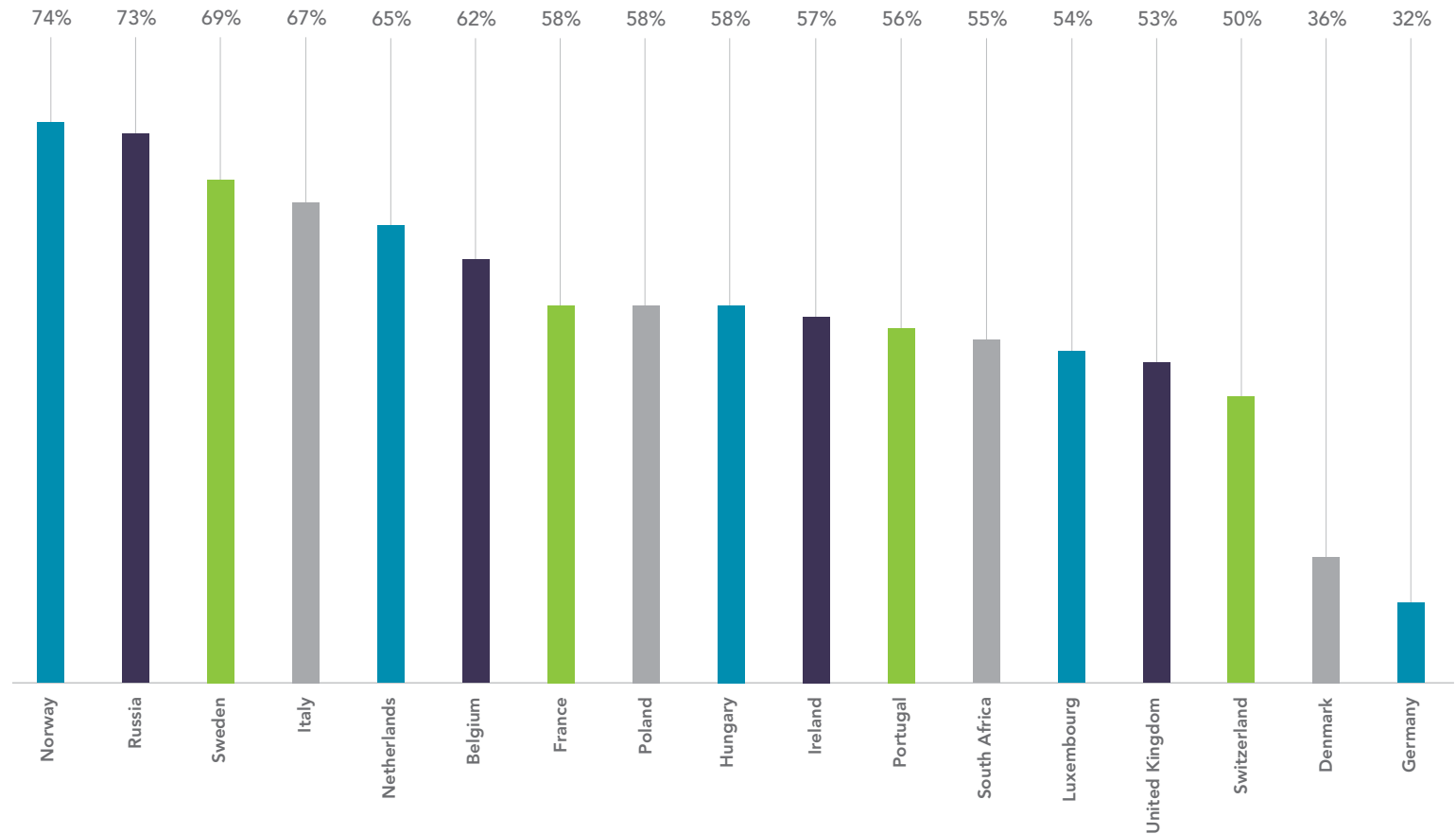
FEEDBACK ON EMPLOYER: EMEA

→ In EMEA, public praise for management sits on average at 58%; however, there is a vast gulf between the highest and the lowest.

In Norway and Russia more than 70% of workers are comfortable in speaking favorably about their employers.

In both Switzerland and the United Kingdom, only around half are happy to praise their employers, and in Germany and Denmark it falls to approximately one-third.

When speaking to others, do you speak highly of your employer? (% Yes, by country)

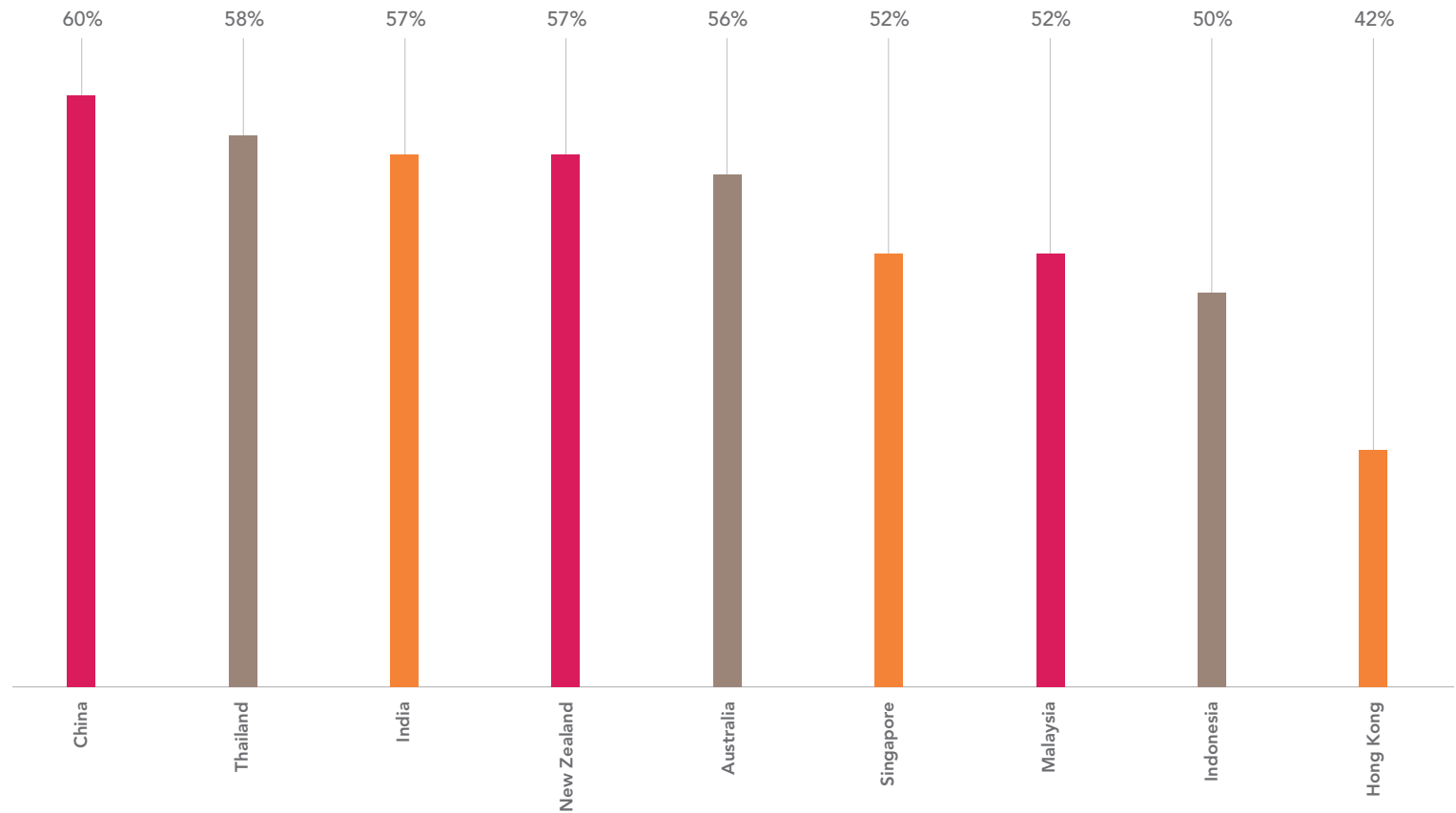


FEEDBACK ON EMPLOYER: APAC

→ Workers in the APAC region, as a whole, are the least likely to speak favorably about their employers.

But that doesn't apply in countries such as China, Thailand, India, and New Zealand, where approximately 60% are content to speak positively to others about their employers. In contrast, in Hong Kong, only about 40% are willing to do so.

When speaking to others, do you speak highly of your employer? (% Yes, by country)



EMPLOYER VISION (BY REGION)

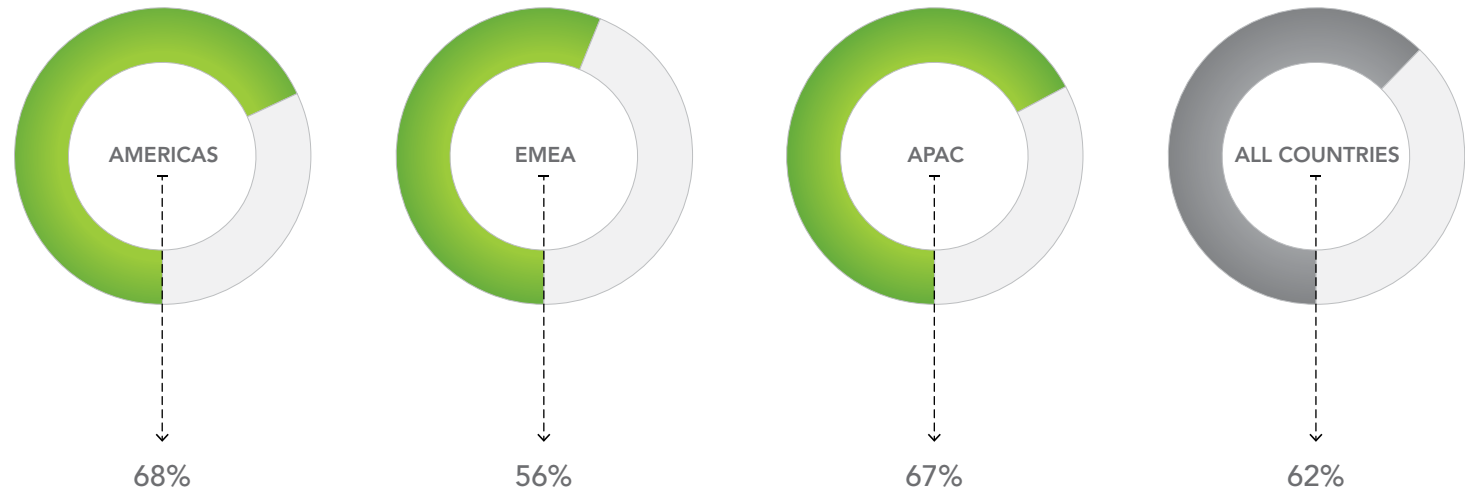
→ In many instances, the way that workers feel toward their employer rests largely on the degree of “buy-in” that they have to management’s goals and vision.

Workers who understand and embrace the goals of management have a shared purpose, which means that everyone is clear about both the strategic direction and the means to implement it.

When asked whether they believe in what their employer is trying to achieve, there is more than half (62%) who say that they do.

Workers in the Americas (68%) and APAC (67%) share relatively high rates of common purpose. In contrast, only 56% of workers in EMEA believe in what their employer is trying to accomplish.

Do you believe in what your employer is trying to accomplish (the company’s mission/purpose)? (% Yes, by region)

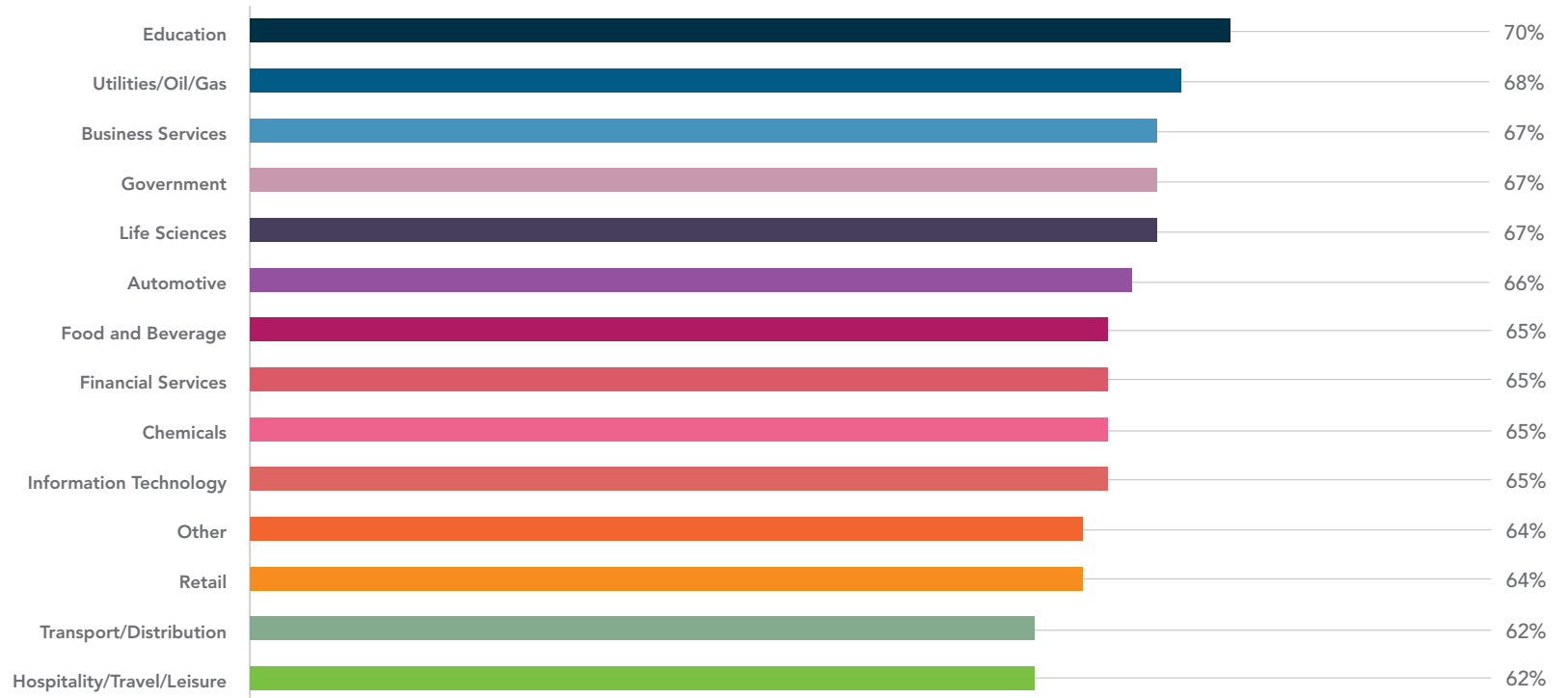


EMPLOYER VISION (BY INDUSTRY)

→ Once again, the results paint a somewhat unsettling picture for many businesses. Nearly four in 10 (37%) workers do not believe in or share the critical vision for the organization that is mapped out by its leadership, or they are unsure what it is. By any measure, this represents a considerable deadweight loss in the form of workers who are emotionally disengaged, and quite possibly working well below their best.

What is also clear is that the trend is largely uniform across industry sectors. There are very few industries that are getting this right. Education is perhaps the standout performer, but even in that sector there is still almost a third that is isolated from the core mission.

Do you believe in what your employer is trying to accomplish (the company's mission/purpose)? (% Yes, by industry)



CLOSING THE GAP

There is an abundance of theories and opinions about what constitutes the best business leaders. Much of this is from the perspective of the business executive. There is considerably less focus on the view from the “factory floor” or from the office.

The vast majority of workers will not have digested the theories of leadership, but they see it in practice every day, and they have well-defined views about what constitutes good leadership.

Given the resources that businesses devote to enhancing leadership capabilities, there remains a worrying gap between the priority and the results.

Of course, it is entirely possible that the “lost one-third” may be right. Their management may be on the wrong track yet can’t see it. Businesses fail every day because of

poor management. But high performing enterprises go to great lengths to ensure that there is a shared vision of organizational goals and direction, from top to bottom.

Many workers who are isolated from the core mission may be the victims of leadership failure; it may be failure of managers to adequately develop a strategic goal or failure to communicate the goal. Either way, it’s a serious vacuum that is costly in terms of productivity and staff morale.

This poses a number of important questions for both employers and candidates.

FOR EMPLOYERS:

1. How are you evaluating your leadership development efforts? Are you considering how best to lead a multi-generational/cultural workforce?
2. Are you grooming leaders who are solely focused on growing the business from the bottom line? It may be time to also teach them how to grow the business from the front line.
3. How are you revising your leadership development efforts to deal with the increase in the virtual workforce?
4. Are your leaders just too busy to lead?

5. Has the move to more matrix organizations contributed to the disconnect between workers and leaders?
6. How can you encourage more group collaboration and more decision making authority?

FOR WORKERS:

1. How do you cope when your manager doesn’t speak your language?
2. What are the ways of earning more responsibility on the job?
3. How can you improve your leadership skills?
4. How can you fuel your own individual inspiration?

ABOUT THE KELLY GLOBAL WORKFORCE INDEX

The *Kelly Global Workforce Index* is an annual survey revealing opinions about work and the workplace. More than 168,000 people across the Americas, EMEA, and APAC regions responded to the 2012 survey. This survey was conducted by RDA Group on behalf of Kelly Services.

ABOUT KELLY SERVICES®

Kelly Services, Inc. (NASDAQ: KELYA, KELYB) is a leader in providing workforce solutions. Kelly® offers a comprehensive array of outsourcing and consulting services as well as world-class staffing on a temporary, temporary-to-hire, and direct-hire basis. Serving clients around the globe, Kelly provides employment to more than 550,000 employees annually. Revenue in 2011 was \$5.6 billion. Visit www.kellyservices.com and connect with us on [Facebook](#), [LinkedIn](#), and [Twitter](#). Download [The Talent Project](#), a free iPad app by Kelly Services.

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