We have a question for you:

Its Monday morning in Beijing, London or Sydney; do you really know how your employees there are doing?

We chose three places so that you could pick the furthest one from your current location; a far away place makes it more difficult to know all that is happening, because even with communications at the speed of light, information still degrades with time and distance. But the question is also valid for any location where you operate, even if it is close to where you work, or actually in the same building. We could ask it as easily for Birmingham, England or Birmingham, Alabama. We can ask it for a huge multinational corporation, or for a small rural hospital. Do you really know how your employees are doing?

So let’s assume the answer is in the affirmative and you do know your employees’ mood, their morale; we have some more questions for you.

How do you know?
From whom did you learn it?
Do those from whom you learned it represent the whole organization?
When did you last find out? Could there have been a shift since then?
Are you SURE that what you know is true?
What are the consequences if what you think is true, is not?

Consider a true situation, condensed into one from countless similar experiences we have had in organizations, with a little tongue-in-cheek added for effect: a CEO arrives at a subsidiary location on his
yearly “Managing by Walking Around”* tour. He and his small entourage step onto the elevator and find Jones already occupying it. Jones is immediately engaged in conversation by the CEO:

CEO: I’m Smith, pleased to meet you.
Jones: Yes sir. I’ve seen you on the video presentations we get around here, pleased to meet you too, I’m Jones.
CEO: So how long have you worked here?
Jones: 10 years sir.
CEO: And how are things going for you here?
Jones: Very well thanks sir, never felt better at a job.
CEO: Do you think most people like working here Jones?
Jones: Oh yes sir, I think they really do.
CEO: So do you work well as a team?
Jones: Yes we do sir, I think our quarterly numbers demonstrate that.

The lift arrives at the 25th floor and the CEO and entourage step out, thanking Jones as they go. The CEO is feeling good; some positive information has come to him from one of the longer tenured members of staff. He is encouraged by what he has heard and is feeling good about the morale in the subsidiary. But he is completely misguided in his conclusion. He has conducted what we call an “ambush survey” (not of course limited to lifts) and has made two crucial methodological mistakes plus one unwarranted assumption:

1. His sample size is 1, not in any way representing the whole, and yet he has generalized from this to the whole population of the subsidiary.
2. His data was collected under extreme duress, i.e., the fear engendered by the situation of being with one’s boss’s boss’s boss, instead of under absolute confidentiality (which would allow for truthful expression).
3. There are any number of ways in which the subsidiary can meet its numbers, some of which involve anything but engendering high levels of morale. Indeed those methods could be destroying long-term morale while showing short-term results.

* A phrase first used by Peters and Waterman in their 1982 classic ‘In Search of Excellence’.