
Tell Your Boss About the Problem, if You Have One



By [Henrich Greve](#) , INSEAD Professor of Entrepreneurship

Telling the boss about problems, rather than peers makes the most effective organisations.

Sometimes management practice and research results are so far apart that it is worth giving a warning. Let me give an example. It has long been accepted in research that giving voice is useful for improving organisations. Employees who tell others about problems and suggest solutions can increase learning and effectiveness, even though doing so does not always earn them popularity.

We also know more because recent research by [James Detert and coauthors published in *Administrative Science Quarterly*](#) has shown a more concrete and detailed version of this relation. It helps to have employees give voice to managers, both in their own unit and in other units. It actually hurts performance to have workers give voice to each other, presumably because other workers can only listen (and possibly be annoyed), but lack the authority to make major changes.

The prescription is clear. Make sure that managers make it safe for their workers to speak up, and that they actually pay attention to what is said. Channel complaints up, not sideways in the organisation. But here is where management practice creates problems. One is the old problem of managers not wanting to hear how their unit can improve, because it suggests that they are not doing well enough. The other is a new one seen especially in small high-tech firms. As [Rachel Silverman has noted in *The Wall Street Journal*](#), some high-tech firms believe that management should be kept out of the firm as much as possible, and are reluctant to assign management roles to any employees.

How does that work? Well, they divide tasks and emphasise independence and sideways coordination. They are happy about that change because it means that their founders can say things like “I want people here who are doing the work, not managing the work.” But the problem is clear when you compare this approach with the research. No manager means that there is no place above for the voice to go. Sideways coordination means that voice has to go sideways. They are actually organised in the worst possible way from the viewpoint of using employee voice to improve the organisation.

Have the tech firms discovered some special magic that makes a manager-less organisation work for them even though it hurts productivity elsewhere? Probably not; Rachel Silverman cites research showing that middle managers are the most important people for determining success in the gaming industry, which typically has small companies or small teams. So, it is time for the myth of effectiveness without management to face reality.

[Detert, James R., Ethan R. Burris, David A. Harrison, and Sean R. Martin. 2013. "Voice Flows to and around Leaders: Understanding When Units Are Helped or Hurt by Employee Voice." *Administrative Science Quarterly* 58\(4\):624-68.](#)

[Silverman, R. E. 2013. Some Tech Firms Ask: Who Needs Managers? *Wall Street Journal*, Aug.6 2013.](#)

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