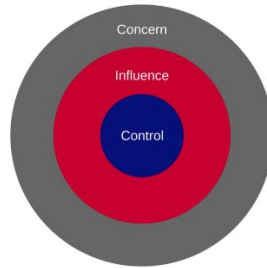


The Circle of Influence Model and Business



The concept of the Circle of Influence was made popular in Stephen Covey's best-selling book, *7 Habits of Highly Effective People*, released in 1989. In the chapter describing the first habit, Be Proactive, he explains how people respond differently to factors that are in their Circle of Concern, Influence, and Control.

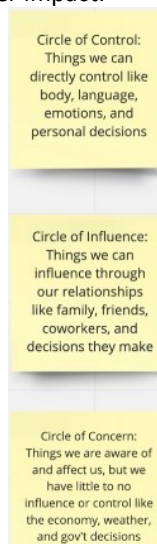
Many people tend to only think of factors that are either within or outside their control. The Circle of Influence provides a third important alternative to help expand our impact, especially as it relates to employee engagement.

Circle of Concern: Reactive people tend to get distracted by things that are outside their direct control, or Circle of Concern. These are things like the weather, a pandemic, or the economy – increasing interest rates and cost of living pressures for example.

Circle of Influence: Proactive people focus their efforts on things they can potentially impact in their Circle of Influence. These are things like work procedures, perceptions of others, and developing specific negotiation tactic scrips to support pricing initiatives.

Circle of Control: These are things that can be controlled directly like personal work performance, how managers schedule their employees and work training programs, for example.

The idea is to spend more time focused on things in the Circles of Control and Influence and less time worrying about the things that may be in the Circle of Concern. Additionally, by pulling some items over from the Circle of Concern into the Circle of Influence, we are likely to have a greater impact.



Locus of Control

Covey's ideas expand on the concept of Locus of Control developed by American psychologist, Julian Rotter, in 1954. Rotter argued that **those with an internal locus of control believe they have more power over the outcomes** in their lives based on their decisions and actions. They view getting an A on a test a result of their hard work and study. People that have a strong sense of internal locus of control tend to be more proactive and focused on their circles of Control and Influence.

Those with an external locus of control feel that they are at the mercy of outside factors. **People with an external locus of control are more reactive and focused on their Circle of Concern (external factors).**

Team Exercise to reduce Stress and Increase Confidence

Managers can use this model of Control, Influence, and Concern with their teams to problem-solve and prioritise work. For example, if the team is experiencing high workload or navigating a complicated change, sorting their concerns into the three circles helps to reduce stress and increase confidence. The exercise involves having each team member write their ideas and concerns on separate sticky notes. After discussing each idea, the team decides together where to place the notes in each of the three circles: Control, Influence, and Concern.

This exercise's purpose is to empower the team by helping them realise they have more control or influence over their concerns than previously thought. Perhaps a concern is outside their direct control, but they discover new ways to influence it. Those on the team with a stronger internal locus of control can help those with an external locus of control see more possibilities. The act of identifying team concerns, describing them, and organising them helps to decrease the stress these concerns cause and creates an actionable path forward.

A Manager's Circle of Influence on Employee Engagement

Research shows that managers have a strong influence, maybe the most important external influence, on their team's engagement.

The research shows that fully engaged managers are more likely to lead more engaged employees. Most importantly, the percentage of fully engaged employees decreases 61% from fully engaged managers to managers in the fully disengaged category.

Several questions arise from the research, including the following. *Do more engaged managers put off a more positive vibe that is contagious to their employees? Or do more engaged managers practice more engaging behaviours that influence their teams?* The personal engagement of managers does not solely reside in the Circle of Control. The research indicates that a manager's personal engagement expands into the Circle of Influence, even if they are not aware of it.

Engagement "MAGIC" Elements and the Circle of Influence

Some research shows that there are five related elements of employee engagement. These elements are: Meaning, Autonomy, Growth, Impact, and Connection. We can perhaps think of these as "cultural nutrients". When we see high levels of engagement, we find these nutrients to be present, helping to promote strong employee experiences.

Managers have an influence on these cultural nutrients more than others. Let us examine the amount of influence managers have in each of these areas and the behaviours they can promote and use to expand their influence.



Meaning

Employees experience meaning when their work has purpose beyond the job itself. Since meaning is determined personally, managers do not have direct control over how it is experienced by their employees. Yet, managers can help employees see how their work is meaningful. For that reason, we place Meaning on the edge of a manager's Circle of Influence.

Here are some things a manager can do to help employees find meaning:

- *Include company values in team discussions.*
- *Help to align personal values of employees with the mission of the organisation.*
- *Share the vision of the company in a way that is readily understandable.*
- *Set goals and objectives that challenge and excite the team.*

Autonomy

When employees have the power to shape their work and environment in ways that allow them to perform their best, they experience the autonomy element.

Managers have direct control over how much autonomy employees have in their work. **To increase autonomy, managers should:**

- *Delegate both routine and critical tasks.*
- *Allow subordinates to own and complete their work.*
- *Hold people accountable for results.*
- *Empower others with the resources and authority they need to succeed.*

Growth

Employees grow when they are stretched and challenged in ways that result in personal and professional progress; this straddles the circles of Control and Influence. For example, if an employee is not proficient in their role, a manager might require they attend training to develop the needed skills (Circle of Control). Other employees may be happy at their current skill level and have no desire to increase their capacity. Managers can then use their influence to promote strong and positive behaviours.

Growth promoting leadership behaviours include:

- *Provide candid feedback to others in a way that facilitates improvement.*
- *Hold frequent development conversations with direct reports.*
- *Seek to understand the career development goals of team members.*
- *Provide challenging tasks and stretch assignments to team members.*
- *Use task boards at a team level to monitor their progress.*

Impact

Employees feel that they have an impact when they see positive and worthwhile results from the work they do.

Managers can increase the sense of impact for their employees by:

- *Regularly recognising and showing appreciation for the contributions of others.*
- *Using accurate and consistent measures for success.*
- *Setting high standards of excellence for serving customers.*
- *Helping others understand how their work contributes to the organisation's success.*

Connection

When employees feel a sense of belonging to something beyond themselves at work, they feel more connected to their teammates, boss, and the organisation.

Managers can cultivate a stronger sense of connection for their employees by focusing on these behaviours:

- *Understand and show sensitivity to the feelings of others.*
- *Show concern for the well-being of team members.*
- *Facilitate activities that create openness and cooperation.*
- *Promote a culture where all team members feel safe to contribute.*
- *Challenge: Expand Your Circle of Influence*

People tend to view their world in binary terms- things are within or outside their control. They create a small Circle of Control and become discouraged by the mountain of things they place in their large Circle of Concern. This lessens their influence and creates a sense of helplessness.

Managers can use the Circle of Influence model to help themselves and their employees uncover ways to relieve stress, take more ownership, and have a more positive impact in their relationships and the organisation they work for. The next time someone expresses frustrations to you - due to the perceived factors outside their control - listen to their concerns and then try helping them think of the many areas they can actually influence.

A Practical (Sporting) Example

The recent hard-fought AFL Grand final match between Brisbane and Collingwood, provides some useful analogies on the application of the circle of influence model from a sporting context, backed by a two-year period of specific training by the Collingwood Club coaching team with the players.

The head coach (Craig McRae) and his team made a point at the end of every training session, for all of the players to practice adopting tactics to win the close matches - in the final 3 to 5 minutes of the last quarter. This is when everything is at stake in tight matches, when players are usually very tired, and when the team must be totally focused on either retaining a lead or fighting to take back and hold the lead in that vital, but short period of time. The effective adoption and execution of these tactics by Collingwood, is supported by their incredible match results over the past two seasons, where they have won an amazingly high number of games by a goal or less.

In this year's grand final match, this tactical execution was exemplified by Collingwood player Scott Pendlebury. In the final quarter, Pendlebury talking to the midfielders before critical stoppages and communicating with coach McRae on the bench via hand signals about what was required. He won the clearance for De Goey's late goal that gave Collingwood back the lead after Cameron had put the Lions in front with just minutes remaining. It was him doing the hand signals with McRae on the bench after Sidebottom's goal put the Pies 10 points in front, resulting in him going behind the ball to protect the lead. It was him directing Jack Crisp to kick the ball sideways and milk the clock as time counted down. It was his extraordinary 11-disposal last quarter with four contested possessions and two score involvements – in 29-degree heat on 35-year-old legs – that helped steer Collingwood to the line in that game. Pendlebury and his teammates clearly understand the tactical and practical applications of the *Circles of Control and Influence* in tight matches!

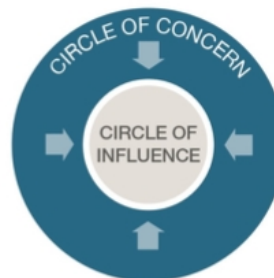
Conclusion

Focus on Your Circle of Influence

Your Circle of Influence includes those things you can affect directly. Your Circle of Concern includes all those things you care about but over which you have little or no control.

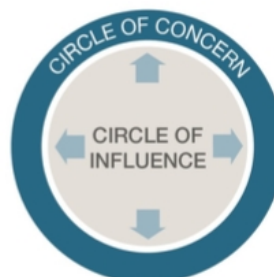
Reactive Focus

When people focus on things they cannot control, they have less time and energy to spend on things they can influence. Consequently, their Circle of Influence shrinks.



Proactive Focus

When people focus on things they can influence, they expand their knowledge and experience, and they build trustworthiness. As a result, their Circle of Influence grows.



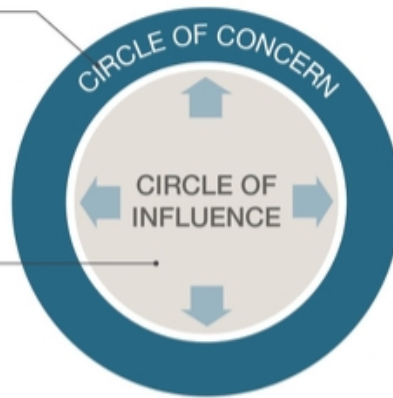
Circle of Influence Challenge

1. Identify a challenging work or personal situation—one that frustrates you and for which you have some responsibility. _____

2. Identify areas of concern. _____

3. Identify areas you can influence. _____

4. What actions will you take this week within your Circle of Influence?



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