

What The CEO Needs To Know: Make Your Top Team More Effective - Clear Expectations – The First Step

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A Service Of Flanagan Consultants, LLC

July 2003

The Opportunity

Are you frustrated that your top leadership team doesn't work well together? It's not uncommon for a top team to experience difficulties working together. In fact, given the extreme pressures in today's business world, it would be unusual for an executive team not to occasionally hit some rough water.

Sometimes it's not the whole team. It's one or two members who just aren't "fitting" in. Painfully, sometimes the problem person is the one you brought in or elevated to the executive committee. Maybe even the one you saw as your successor. . . .

We often work with CEO's and their executives to improve their results as a team. The team may be facilitated as a whole, or executive coaching can be provided to one or more individuals. With a concentration on behavior change and measurable results, either approach is highly effective at improving business results from the senior team.

What you should know is what we often uncover. A common root cause of poor performance in the executive committee is members being unclear about the role of an executive committee member from the Chairman/CEO's perspective.

For example, the CEO of a major financial services firm "transitioned" half of his executive committee in his first 18 months. In fact, he personally hired three of these individuals and had given them key strategic assignments. Those transitioned often offered contrasting opinions in the executive committee. The problem: The CEO viewed the executive committee as a communication vehicle, not a forum for debate. After the fact, all of the "transitioned" executives were startled to hear that the CEO was displeased by their active debate during executive committee meetings. The CEO never had given any explicit feedback suggesting that their behavior was not appreciated.

In contrast, the Chairman of a major retailer encouraged his CEO and two division heads to retire. The Chairman had confided in another officer that he was frustrated by his most senior, talented people's "unwillingness to get in the game." After the fact the executives were surprised by this feedback.

Members of your top team have two roles – running a function or business unit and being a leader on the executive committee. Effectiveness at one doesn't predict success at the other. To be a valuable contributor on your leadership team, everyone needs to know explicitly your expectations of an executive committee member.

How To Leverage It

1. Be Clear Of Your Own Expectations

Spend time really thinking through the role you require members of your executive committee to play. It is critical to distinguish between their roles as leaders of key business units or functions and the role you want these individuals to play as members of your executive committee.

Define the role of an executive committee member based on: 1. the needs of your business; and 2. your own leadership style and what you are comfortable with. Say your business' competitiveness depends on a constant stream of new, innovative product and or service offerings. In addition, you are comfortable managing intense, perhaps even heated, debates before a decision is made. Given these two factors you may want to use the executive committee as a forum for generating new strategies, as well as challenging them prior to and during implementation.

You'll likely define the role differently if your business is based on a low-cost strategy where speed is everything; and you are more comfortable consulting with your leaders one-on-one. In this case, the executive committee is a vehicle for making sure that all the key leaders are pursuing the same strategy on pace.

2. Clarify What Is Unacceptable

In addition to defining what is valued behavior, you should clearly state what is unacceptable behavior. For instance, active participation in strategic debates is required and being passive is unacceptable. It's not about preferences, it's about what is required. Some will want to play it safe and let others take the risks of participating according to your rules. This form of opting out is particularly debilitating in a senior team.

3. Model What You Want

If you want the role of your executive committee to be providing structured communication and coordination then be sure to model what you desire. Have your staff send out an agenda with timetables as well as topics prior to each meeting. Stick to it. You can do this and still respond to late breaking events by structuring your agenda. Include 20 minutes for "Immediate Concerns" or "Chairman's Updates". This will ensure you always have the appropriate place and structure for addressing emerging issues.

If you want lively debate, lead it. Offer your opinions and invite challenges to them. Be sure to ask everyone to contribute their thoughts.

4. Reinforce

When you get what you want, reinforce it. Positive reinforcement should be given immediately right in the meeting. A simple “Thanks Sandra, that’s exactly the kind of information I’d like to see more of,” or “I really appreciate everyone engaging in that discussion. It’s a critical issue and I want your input,” can go a long way.

5. Give Feedback

When you don’t have the kind of behavior and contribution you want – let your leaders know. If it’s one or two individuals digressing from the topic at hand or not participating when appropriate, speak to them privately in your office. Do this immediately after the meeting.

If it’s the dynamics of the group that are unacceptable, give feedback to the entire group immediately. It is entirely appropriate and effective to stop a presentation or discussion mid-stream and give the group feedback.

Of course, it’s almost never appropriate to criticize individuals for their behavior in public.

6. Remember Your Role

CEOs sometimes forget that the members of their team are not peers. They are direct reports. Especially when CEOs have risen up to their current role, it is common for them not to assume a clear leadership position – above other members of the executive team. Remember that it’s your show. You can encourage open discussion -- even heated debate. However, at the end of the day, it is you who still is accountable for the decisions of the executive committee. You own the committee’s working relationships, discussions and contributions.

7. Never Be Constrained

Most businesses have key business units or functions that drive a lot of the enterprise’s performance. In some organizations it can be one individual who drives a critical sales volume or breakthrough innovations. It’s not uncommon for those individuals to feel powerful – and indeed they are. Some take the liberty of refusing to follow the same norms as their peers.

The dilemma appears to be: risking the defection of the driver of much of your success vs. a trusting, effective senior team. There are three ways to work out of this dilemma.

1. Ask yourself: Is an individual who won’t participate as an equal team member really one of my key leaders? Can I trust that this person is acting in the best interests of the company?
2. If the individual has an exclusive relationship with one or more key clients – invest the time to break that exclusive tie. Spend time with the client; on occasion without your team member present. There’s

not one of your clients that wouldn’t appreciate and reward your personal attention. Remember: They face the same issues as you do, including managing *prima donnas*.

3. Invest in your Succession & Talent Management Processes. Reviewing key players as a regular part of your executive committee and board meetings will make sure that you always have “ready now,” “ready in 1 – 2 years” and “developing” successors for each of the key positions in your organization.

Invest some time personally getting to know the successors to your leadership team – make sure you are comfortable with them. These two actions will make sure you are always in control of your company’s leadership.

8. Make Setting Clear Expectations Part Of Your Culture

Finally, set the expectation that setting clear expectations is required throughout the organization. Almost every employee opinion survey has an item such as “Are you clear on your role in the company?” or “Do you know what is expected of you?” Imagine the productivity lost, product defects, and customer defections if just 10% of your employees are unclear about expectations.

In particular, make sure that individuals who serve on teams throughout the organization are clearly told what is expected of them as team members versus their contributions as individuals or managers.

About The Author

Leo F. Flanagan, Jr., Ph.D. is President of Flanagan Consultants, LLC. He has over 25 years experience in improving strategy execution across global industries. Flanagan Consultants, LLC helps leading companies formulate and execute their business, marketing and human resources strategies. They pride themselves not on providing advice rather on partnering with clients to rapidly achieve breakthrough results in business performance. Clients include leaders in financial services, technology, hospitality, pharmaceuticals, consumer products, government, and retailing. Leo can be reached directly at 203-321-8423 or Leo@FlanaganConsultants.com. He welcomes your questions, thoughts and reactions.