

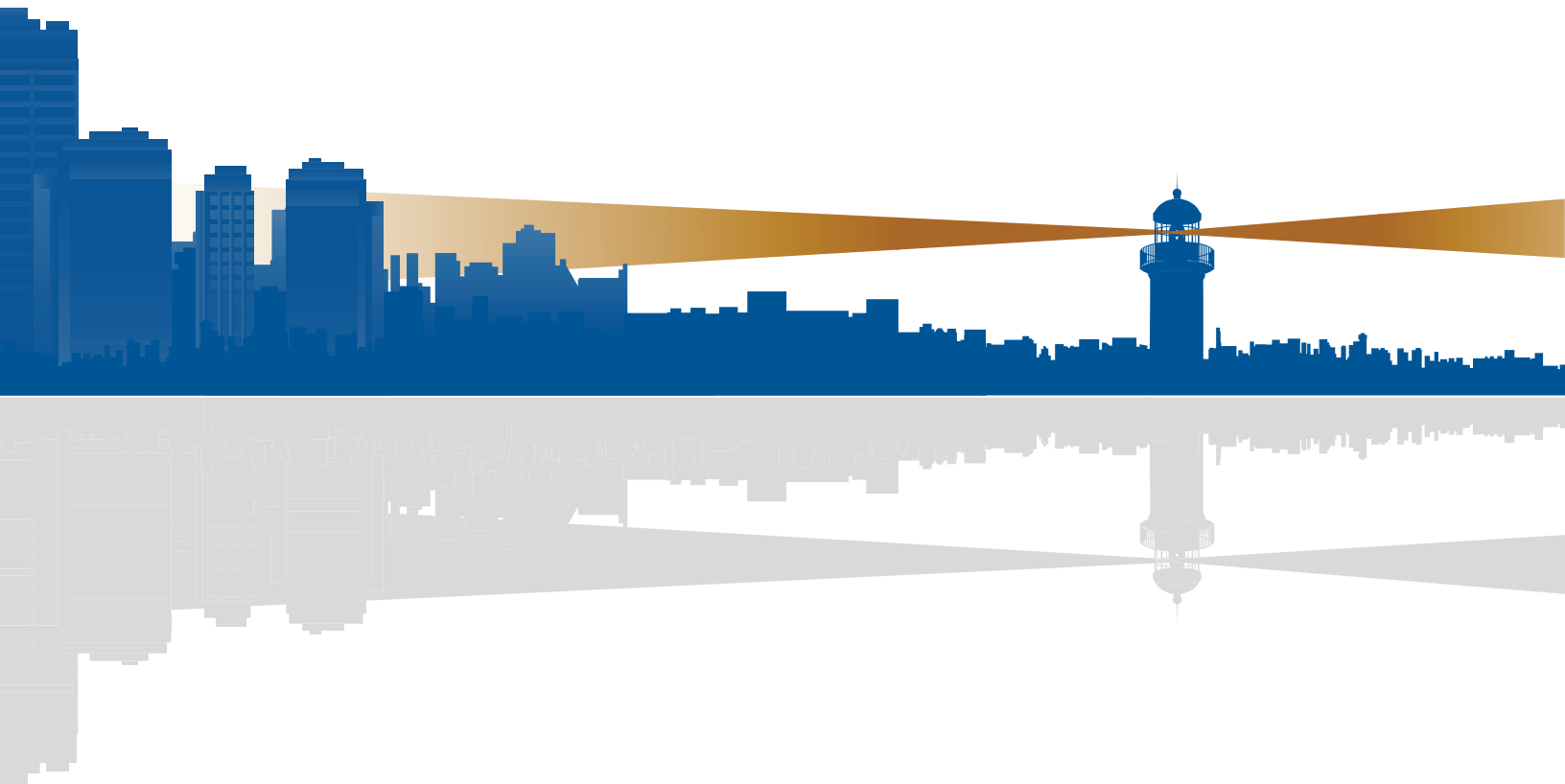


THE BEACON GROUP

Navigate the Future™

"Accelerating High Performance Team Effectiveness"

Issue 4 - Volume 2
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Executive Report on Leadership & Business Strategy





In Our View ...

It's too bad we have to circle back, yet again, to a topic that keeps raising its ugly head and one which the best minds in business and academia do not seem to have yet been able to wrestle to the ground - the issue of High Performance Team Effectiveness. Unfortunately, it remains the elusive goal of many leaders and organizations, and it has been hitting our radar screen like never before over the past six months. We hope to be able to shed some light on the challenge on the next few pages.

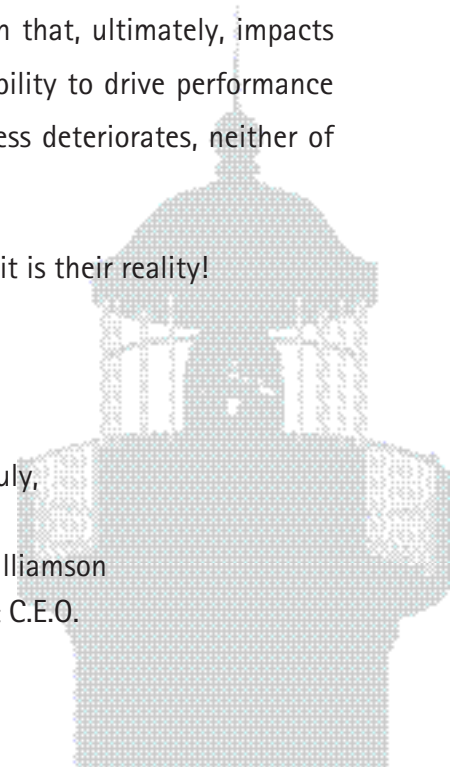
It seems to us, many organizations and their leadership teams, at all levels, are paying a big price now for their failure to pay full and proper attention to team effectiveness in the past and for their failure to build a solid foundation on which to depend when the going gets tough.

Simply put - while it's easy to ignore imperfections in team effectiveness when times are good, when the pressure is on and it really matters, those small cracks can become giant chasms and set in motion a chain reaction that, ultimately, impacts performance effectiveness. Leaders have a twin responsibility to drive performance and create a positive climate and when team effectiveness deteriorates, neither of these two can be achieved.

It does not have to be that way and yet for far too many, it is their reality!

Yours truly,

R. Douglas Williamson
President & C.E.O.



Achievable Goal or Mythical Dream? ...

The minute you bring any group of people together, let alone the hard charging, high achieving types we all want in our organizations, you are bound to ignite tensions. The human dynamic provides for an endless number of variables that even the very best leader can find tough to master, let alone channel.

Team effectiveness can inevitably end up twisted and distorted by two underlying tensions which impact performance, harmony and survival. They are the:

- Cognitive tensions - which arise from an unequal distribution of the mental fire power and the inability to reach common understanding.
- Emotional tensions - embedded even deeper in the character, motives, intentions and fears of the various members of the team.

In our view, the Forming, Storming, Norming and Performing model introduced by Bruce Tuckman in 1965 is far too primitive to be of much use in today's more challenging environment, where the complexity is greater and the heat from the fire more intense.

The bad news is, there are no other conveniently packaged models to guide one of the most mysterious and yet important levers to high performance – team effectiveness. The author, John Kotter, is right when he says that in order for teams to perform they need to do some actual work together. Yet the work we give most senior teams is rarely taxing enough to punch through the wall and reach the other side where permanent high performance becomes an everyday reality. Teams need to practice together in order to get better together.

Barriers to Sustainable Excellence ...

I have had the good fortune to observe countless senior leadership teams, up close, for over 30 years, across all industries and around the globe. It provides a certain insight into what works and what doesn't work and, while there is no silver bullet, there are some rough guidelines that can be useful.

At the macro level, we believe sustainable excellence depends on the willingness of the team to measure their effectiveness and to do so, on a regular basis, with a focus on getting better, rather than just getting there. In other words, accepting there is no final hurdle to cross, just a continuing series of ever escalating levels of proficiency.

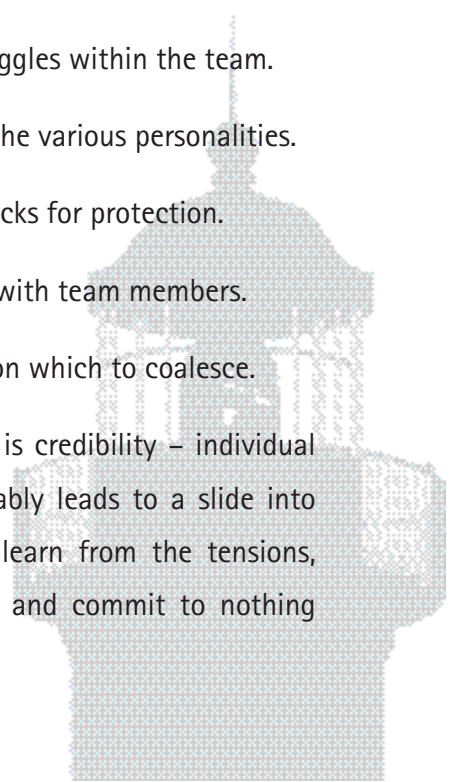
Over and over again, we see teams making the mistake of:

- Declaring victory too soon, after some early initial success, and
- Not pushing hard enough through what Author Seth Godin calls "The Dip".


There are also some common symptoms which indicate struggles within the team.

- A leader who fails to master the role of maestro of the various personalities.
- Teams who operate in silos or who move in small packs for protection.
- A leader who uses a hub and spoke style of dealing with team members.
- Teams who fail to fully define the common ground on which to coalesce.

At the end of the day, the first thing to usually give way is credibility – individual and collective – and when that happens, it almost inevitably leads to a slide into turmoil, dysfunction and ineffectiveness. Teams need to learn from the tensions, successes, setbacks and missed opportunities they cause, and commit to nothing less than mastery.



Importance of Strategic Clarity ...



It is easy to be an armchair quarterback, to sit back and critique someone else's efforts to provide clarity of purpose and intent when it comes to organizational strategy. Yet, when you ask a typical group of mid-level managers to summarize the objective of their organization's strategy, you inevitably find a wide range of interpretations.

It seems to us, there is no more predictable cause of team ineffectiveness than a lack of strategic clarity. We don't mean the Vision, Mission and Values. We mean an unwavering expression of clear intent, accompanied by the fortitude, discipline and willingness to use that intent to sharply define the playing field, and then the fierce resolve to use it as a filter to drive priorities and make decisions.

In our view, teams fail (or even worse, limp along) because they:

- Do not make dependably smart choices on what to do and what not do.
- Fail to use the strategic filter as a means of rigorous prioritization.
- Are not disciplined in maintaining focus and conserving energy.
- Mix operational issues with strategic priorities at critical moments.

In other words, when there is anything short of total clarity about the strategy, combined with less than total zeal to focus only on what really matters, you have a gap into which team ineffectiveness will seep in and, more often than not, with dire consequences.

The Importance of Cultural Clarity ...

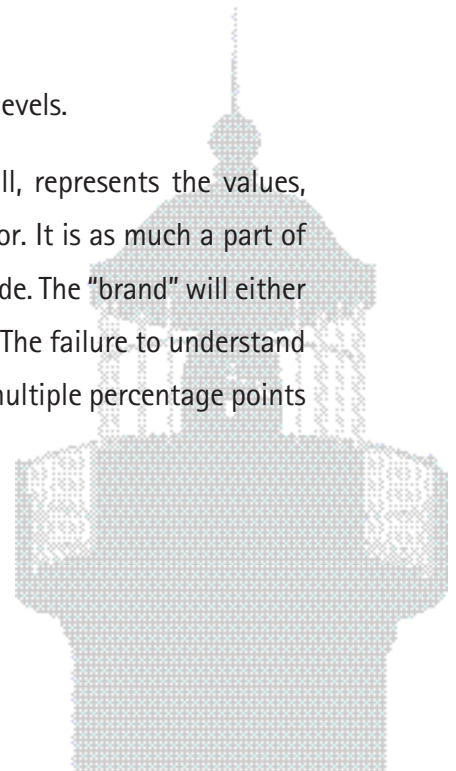
The sad fact of the matter is, corporate culture is constantly ignored, or deeply discounted, as a source for driving performance effectiveness in the modern organization. How wrong that sentiment is, and how dangerous it can be when the chips are down. A sound, healthy, progressive culture is like a rainy day fund. You may not need to draw down against it in good times, but when the going gets tough, you can't just cross your fingers and hope things hold together. You need a bank account!

Culture is the foundation upon which sustainable high performance is built. Culture is the sum total of all the social capital the organization has built up, and which it can use to stimulate even higher levels of performance in difficult circumstances.


You can choose to either:

- Ignore it – and hope for the best.
- Embrace it timidly, and execute it half heartedly.
- Embrace it fully, and then execute it very well at all levels.

The culture of an organization, no matter how big or small, represents the values, beliefs, aspirations and behaviours the organization stands for. It is as much a part of the "brand" as the products they sell or the services they provide. The "brand" will either resonate within the organization or it will cause dissonance. The failure to understand the costs and consequence of a poor cultural brand can cut multiple percentage points off your bottom line.



Credibility the Essential Ingredient ...



It is common to hear members of a leadership team imply or whisper about a certain lack of trust within the team or, even worse, state it out loud. It is often a dirty little secret they prefer to think is safely hidden from the eyes of their peers and direct reports, but which, in fact, can be easily spotted at 100 feet in thick fog. When contractual trust is broken at the senior level, and hidden incivility rears its head, it is generally well known through the organization and is anything but a secret. The end result is a lack of leadership credibility and that, in turn, causes a whole series of cascading problems, politics and performance failures.

Credibility is the currency we use to measure leadership team effectiveness. It's like a stock price. It rises and falls, over time, according to what the market (in this case, the people in the organization) determines the credibility to be. This is not the same as Employee Engagement or Employee Satisfaction; it is much deeper, more complex and far more important. It is a value attributed to the confidence the organization has in the leadership team's ability to navigate a certain course to a desirable destination.

Credibility is poorly understood amongst the members of most senior leadership teams, and yet it is essential to getting people to follow, take risks, innovate and drive forward aggressively. It is the lubricant of high performance and, while it is built through many different things, the two most important drivers of the credibility currency are:

- The quality of the decisions made by the senior team.
- The way in which relationships are built and nourished over time.

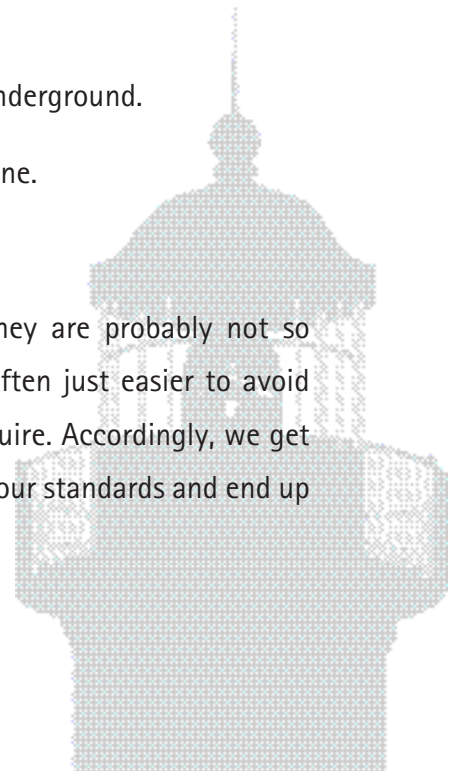
Dysfunctions and Other Diseases ...

It's sad to say, but the altar of high performance team effectiveness does require some human sacrifice – just not the kind you may fear! It requires people be willing to invest themselves fully in the pursuit of a worthy strategic objective, and requires them to make a commitment that comes from deep, intrinsic motivations. You cannot have a high performing team without high levels of commitment, and it is not hard to detect when a team goes sideways. There are usually plenty of symptoms and the only real surprise is how easy it seems to be to ignore them.

Here is a list of what we have observed. It is probably not definitive, but in the absence of anything better, it is a good start with which to begin to diagnose.

- Cliques, sub groups or coalitions of mixed loyalty.
- Side deals negotiated outside of the team.
- Directives from the top that go unanswered.
- Lack of candour that causes conversations to go underground.
- Lack of a self regulating, self aligning team discipline.
- Failure of the leader to sense the problems.

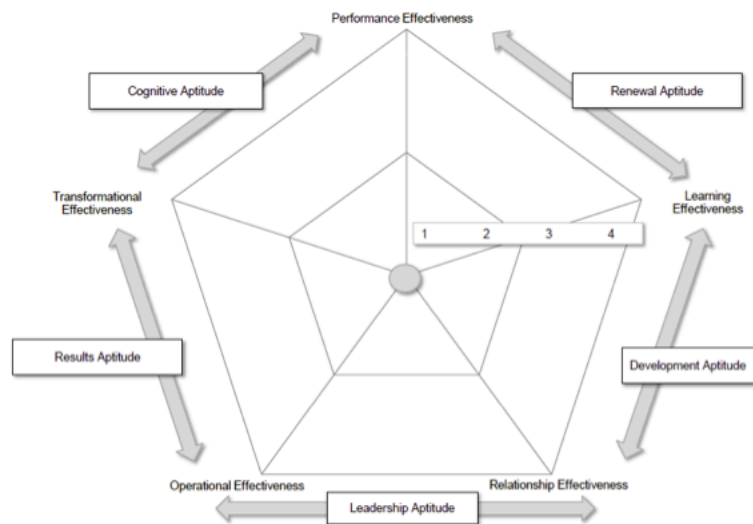
The real problem with most ineffective teams is that they are probably not so preposterously bad as to call for drastic action, so it is often just easier to avoid the final push to excellence and the effort that would require. Accordingly, we get trapped into accepting second best and, in so doing, lower our standards and end up dying a slow death by a millions cuts.



Team Effectiveness Model ...

While we are not convinced you can fit all the complexity of team behaviour into a tidy formula or a convenient check list, we do believe you can benefit from adopting a lens through which to look at the various elements in a more holistic sense. Once again, we would defer to John Kotter on this topic and suggest the real definition of team effectiveness is in how the team performs when it has to perform together, as a team, not as the sum of individual contributions.

Our preferred way to examine team effectiveness is represented in the Chart below.



The key take away from this visual representation should be the emphasis it puts on balance and the various combinations of effectiveness, and how they produce specific performance enabling competencies.

Measuring Team Effectiveness ...

The art and science of business leadership is certainly guilty of overdosing on theories, models and frameworks, but it is often equally guilty of falling short on meaningful metrics and the willingness to use the power of measures to chart and maintain a course. It strikes us as odd that the very same CEOs who watch, and even obsess over, every movement in the share price or in competitive market share, conveniently choose to ignore a similar approach to tracking and measuring team effectiveness.

Here is the Team Effectiveness Scorecard we believe best captures the essentials.

Operational Effectiveness

- Crisp Strategy & Objectives
- Solid Structure & Alignment

Relationship Effectiveness

- Collaboration & Communication
- Trust & Respect

Transformational Effectiveness

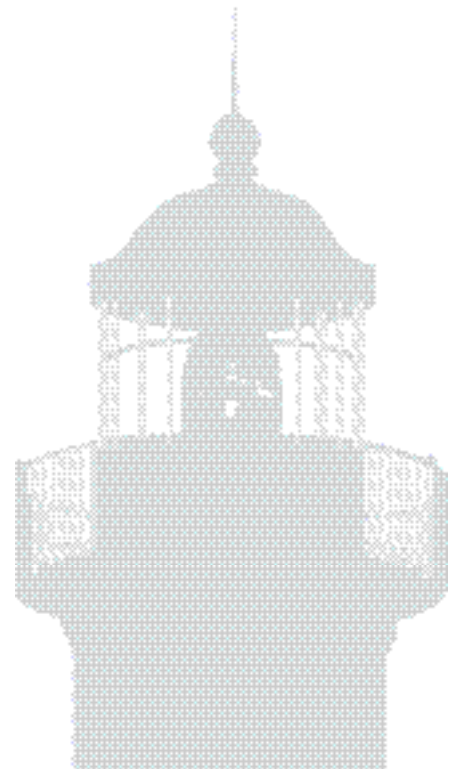
- Critical Thinking and Decision Making
- Change Management & Innovation

Learning Effectiveness

- Knowledge Transfer & Growth
- Talent Management & Development

Performance Effectiveness

- Focus & Execution
- Accountability & Commitment



Steps to Take :: Actions to Consider

We have seen leaders fall into one of two camps. Those who believe they already have a highly effective senior team, but really don't, and those who know they have an ineffective senior team, but are afraid to do the hard work necessary to fix it. Strangely, the latter group somehow tend to find it easier to replace members of the team, rather than fix the foundation.

It is hard work cobbling together a diverse group of talented individuals and getting them pointed in one direction. As we have noted previously, the number of variables in the equation is staggering, and the random acts of emotional influence can overwhelm even the most rational of leaders. The key is to take honest stock of where you stand, where you need to be, build the business case for making the investment it requires, and then have the tenacity and resolve to carry it out.

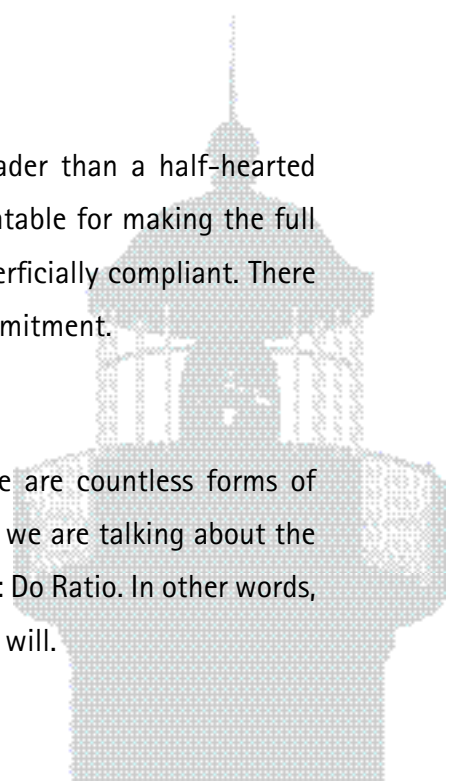
The following suggestions may help.

Push for Genuine Alignment

Few things in business life are more frustrating for a leader than a half-hearted effort. As a result, leaders have to hold themselves accountable for making the full effort to ensure the team is fully aligned, and not just superficially compliant. There is nothing worse than a timid leader with lack of deep commitment.

Demand Tough Discipline

Discipline is a word that gets a bad rap. Of course, there are countless forms of discipline, but when it comes to senior team effectiveness, we are talking about the kind of discipline that can be nicely wrapped up in their Say: Do Ratio. In other words, the ability to keep promises and deliver what they say they will.





Keep Score

The business world typically loves its numbers, and most leaders have their own set of performance indicators that help them stay on track and tell them how they are doing. However, the one set of numbers many choose to ignore are the ones that would show them the cost of team ineffectiveness.

Practice Integrative Thinking


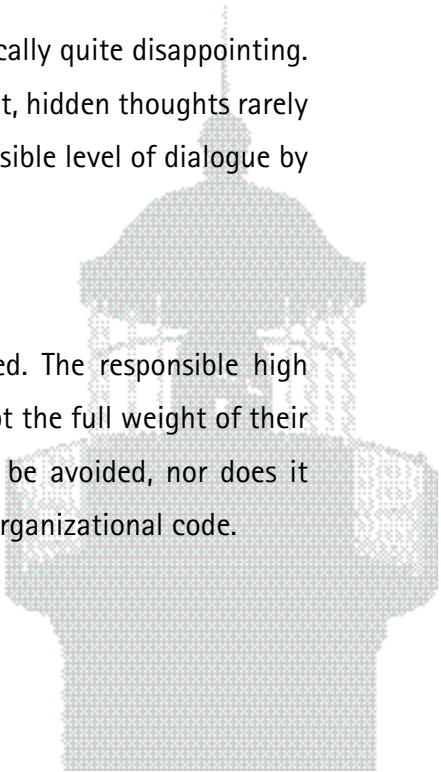
High performing teams not only do things differently, but they think differently as well. They have mastered the ability to avoid the head long rush to premature conclusions and, instead, hold themselves accountable for enriching the lateral thinking process and discovering multiple right answers.

Raise the Quality of Dialogue

In most team meetings, the quality of the discussion is typically quite disappointing. People do not stay on topic, minds wander and the important, hidden thoughts rarely hit the table. High performing teams ensure the highest possible level of dialogue by demanding intellectual commitment and courage.

Enforce Accountability

Actions have consequences, both intended and unintended. The responsible high performing team knows this and requires members to accept the full weight of their decisions and choices. It does not allow commitments to be avoided, nor does it permit actions and behaviours to be inconsistent with the organizational code.





The Beacon Group is ...

We are a Canadian-based professional services firm supporting clients throughout North America and around the world. We work with organizations in all sectors and industries in the development of their business strategies and in helping them leverage their investment in human capital.

Our goal is to support senior leadership teams in their efforts to:

Optimize - strategic positioning and market opportunities

Maximize - long-term organizational effectiveness

Develop - leadership competency and fitness

Create - superior levels of performance

Our practice is divided into four main areas of expertise:

Strategy | Culture | Talent | Leadership

When integrated, this broadly based expertise provides our clients with a comprehensive Organizational Health and Business Performance System.



Our Core Values

We believe ... mindset, attitude, character and behaviour matter. It is vitally important to be clear, consistent and authentic. This is especially true when serving as a "trusted partner" to the organizations who work with us.

We commit ... in all aspects of our client relationships, to being:

Progressive - forward thinking, ambitious and pragmatically radical

Thought Leaders - innovative, audacious and imaginatively bold

Passionate - loving what we do and creating passion in others

Customer Driven - dedicated, involved and fully committed

Responsive - fast acting, intense and able to anticipate

Agile - enthusiastic, nimble, adaptive and courageous

Our Approach

We support ... progressive leaders and ambitious organizations in developing relevant Business Performance and Human Capital strategies that have an immediate impact.

We partner ... with them to create and implement robust strategies, solid frameworks and pragmatic solutions, allowing them to lead with confidence and deliver results.

We achieve ... this through a commitment to:

Providing - a comprehensive, integrated set of organizational effectiveness tools

Focusing - on building customized solutions to meet performance challenges

Supporting - mission-driven leaders with their transformational agendas

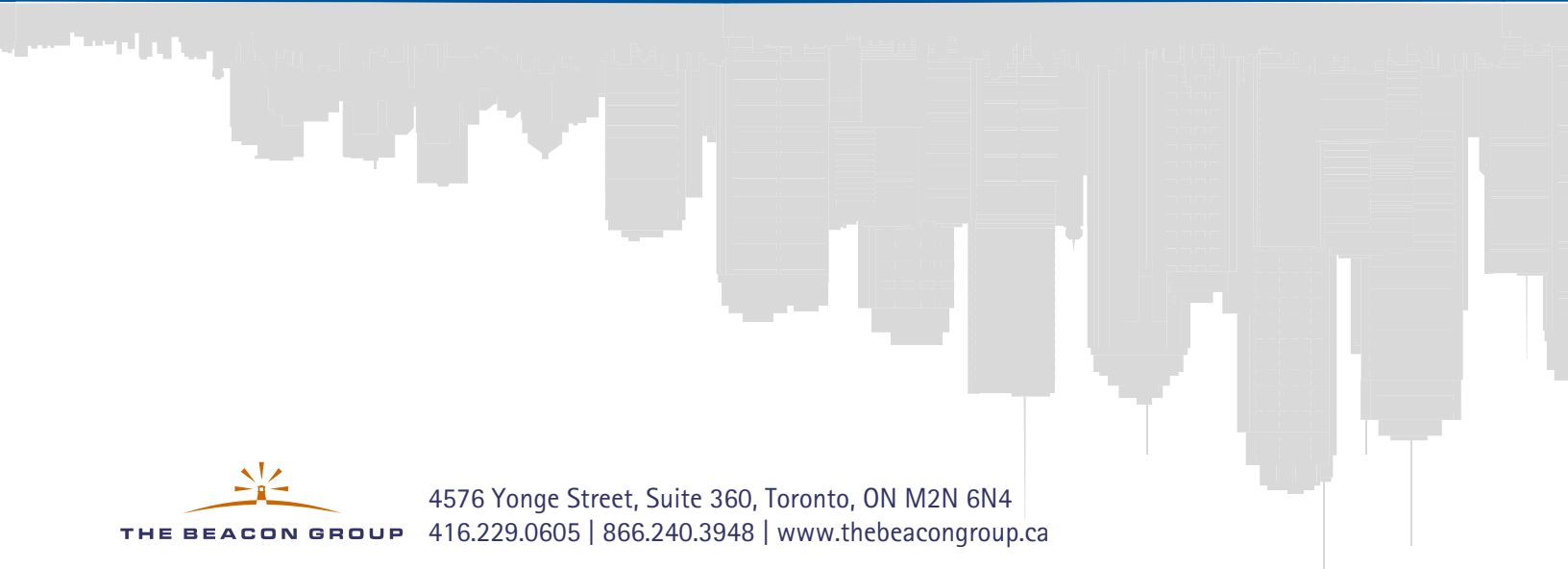
Appealing - to those with a pragmatic, no nonsense approach

Executing - our work with punch, panache and know-how

Delivering - results that make a difference



Strategy | Culture | Talent | Leadership



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