

High Performing Executive Teams

Discussion Document

January 2021



CEOs must now perform and transform

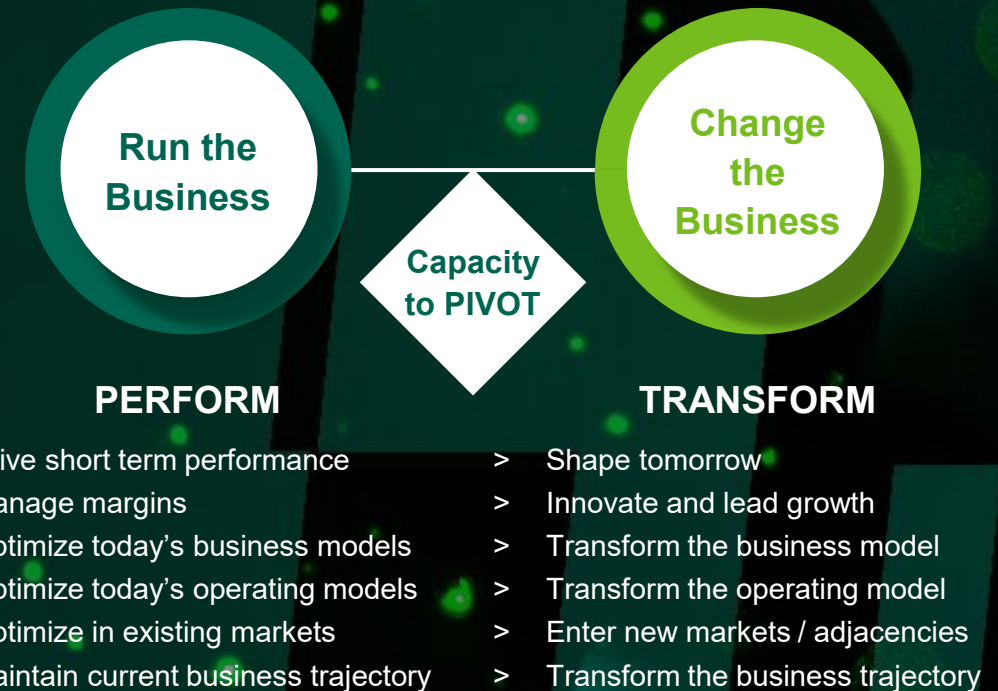
Organizations face constant digital acceleration, economic and health upheaval, social and environmental crises. It is no longer enough to perform – hard as that is – we must now perform AND transform.

No CEO can do this alone, and few want to. But leading a team of executives is uniquely challenging – no matter how strong they are.

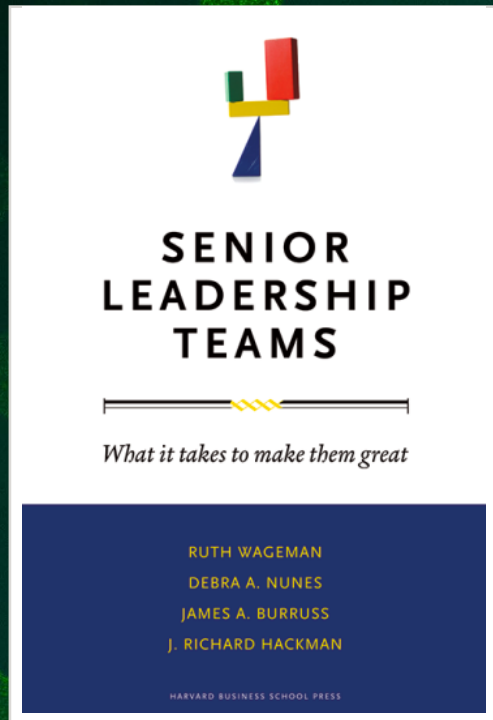
Top team performance provides a powerful engine to accelerate performance and transformation by enabling:

- 1** > The leader to clarify – and often change – the work of the team
- 2** > The team and the leader to do their collective work more effectively

Accelerate the perform/transform journey



High-performing executive teams deliver results because they...



- > Own and implement the strategy.
- > Mount an aligned response to internal and external opportunities and threats.
- > Anticipate and adapt quickly to changes in the business environment.
- > Accelerate decision-making speed and effectiveness, especially in uncertainty.
- > Maintain a high sense of urgency and capitalize on windows of opportunity.
- > Increase stakeholder confidence (internal and external).

What gets in the way?

Executive teams typically encounter six challenges

1>

The team's *collective* work is often vague, leading executives to focus on their role-specific accountabilities rather than the enterprise agenda.

4>

Standards of behavior that foster trust and productive relationships necessary to coalesce and energize the team, are not sufficiently adopted.

2>

The most talented, hard-charging executives are not always the most effective team players.

5>

Leadership teams typically give little thought to their ongoing development and, as a result, they typically fail to grow as a team.

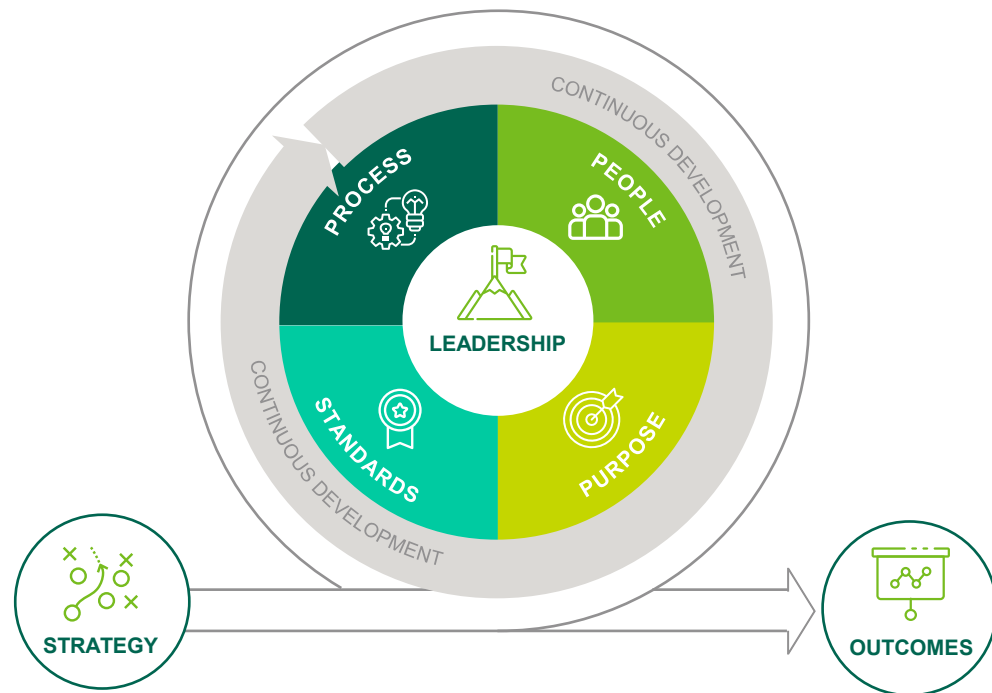
3>

Team processes, particularly decision-making processes, are often implicit rather than explicit, leading to issues of trust.

6>

Effective team functioning occurs in phases and can wane if the team leader does not consistently focus on the needs of the team.

What it takes for teams to perform and add value



LEADERSHIP

The organization and team leader secure the resources and create the conditions that enables the team to deliver optimal performance.



PURPOSE

The team's reason for existing is inspiring and important, and the team's objectives and priorities are well-defined and clearly understood by the team.



PEOPLE

The team is composed of members with the range of knowledge, skills, and expertise needed to execute the team's purpose, and who act inclusively to recognize the value of diverse perspectives.



PROCESS

The team has defined clear individual responsibilities, collective work, decision-making processes, and performance tracking in line with the team's purpose.



STANDARDS OF BEHAVIOR

The team has established and demonstrates clear norms, actively discusses issues, and fosters supportive relationships among team members.

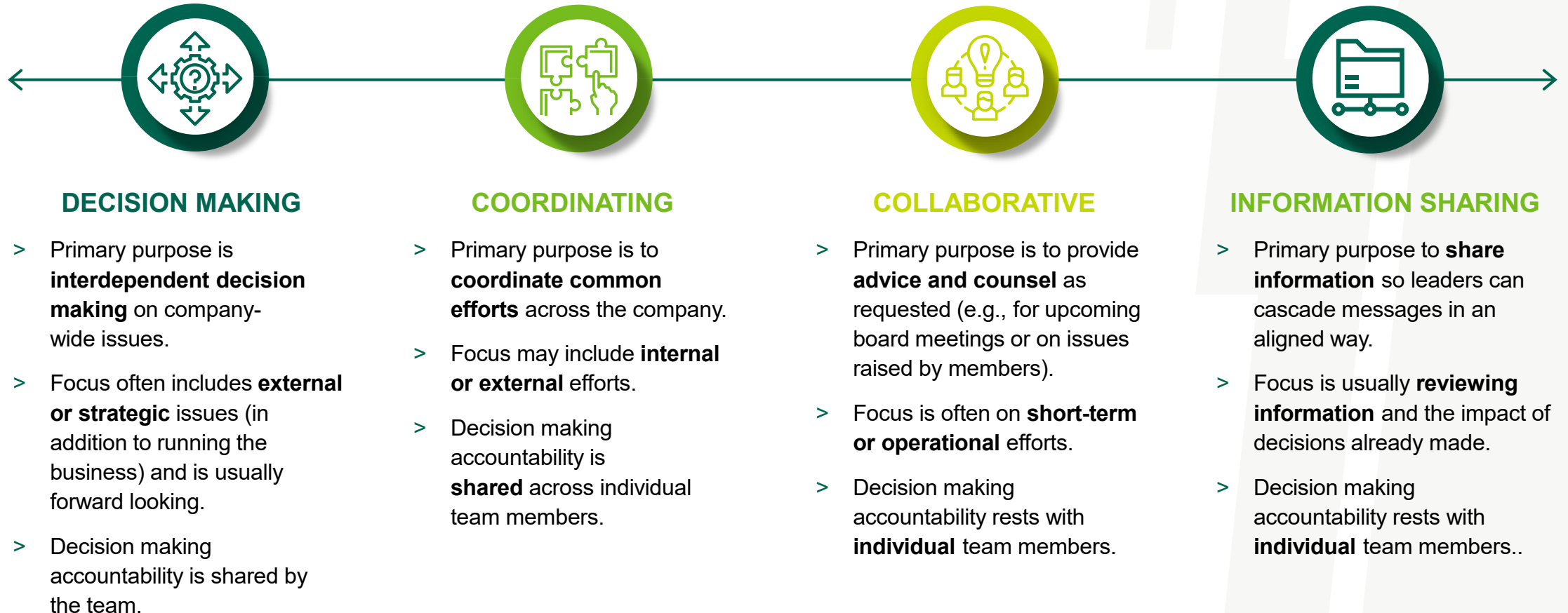


CONTINUOUS DEVELOPMENT

The team improves its processes and dynamics, innovates, and addresses team skill gaps to adapt to the evolving business environment.

A compelling purpose is foundational

Where should the team spend its collective time... and why?



Overview of approach (*can be scaled up or down*)



PLANNING AND DIAGNOSTIC

- > Strategic analysis: business strategy and context, engagement survey data, past and upcoming ELT agendas/meeting notes; compensation structure
- > Facilitate 3-4 iterative 1-hour sessions with CEO, including documentation:
 - > Confirm metrics for success
 - > Clarify where she wants to take the organization
 - > Define the ELT's unique work and shared accountabilities to drive the business
 - > Explore implications for team membership
- > Interview all ELT members: alignment on strategy and perspective on ELT
- > Conduct team survey (completed by leader and members)
- > *Optional:*
 - > Interview key stakeholders of the ELT
 - > Executive assessment of members
 - > Executive coaching for CEO



FEEDBACK AND RECOMMENDATIONS

- > Synthesize diagnostic findings against team performance model
 - > Strengths and prioritized gaps, given the clarified purpose of the ELT
 - > Pragmatic near-term recommendations
- > Review findings and implications with CEO, including proposed agenda for the ELT working sessions
- > Finalize working sessions agenda and materials
- > Prepare CEO for her role in the working sessions: this is her team and her meetings; our role is to support her in creating the conditions for successful outcomes, along with prioritized recommendations
- > *Optional:*
 - > 1:1 feedback for all executive team members
 - > Agendas and materials for ELT working sessions based on assessment results
 - > CEO prepared for success



ELT WORKING SESSIONS

- > Given COVID – 19, we anticipate that this will be virtual; we anticipate 4-6 3-hour working sessions with breaks in-between
- > The agenda will be driven by the findings; typical topics include:
 - > Review top team model and share diagnostic findings
 - > Clarify ELT purpose, accountabilities and decisions
 - > Align on team norms and/or processes, given that purpose
 - > Team-building activities
 - > Conduct “real work” with observation and feedback from KF
- > Meet with CEO before each working session to prepare for success, and debrief afterward
- > *Optional:*
 - > Ongoing development support as needed
 - > Continued team coaching

Outputs and outcomes

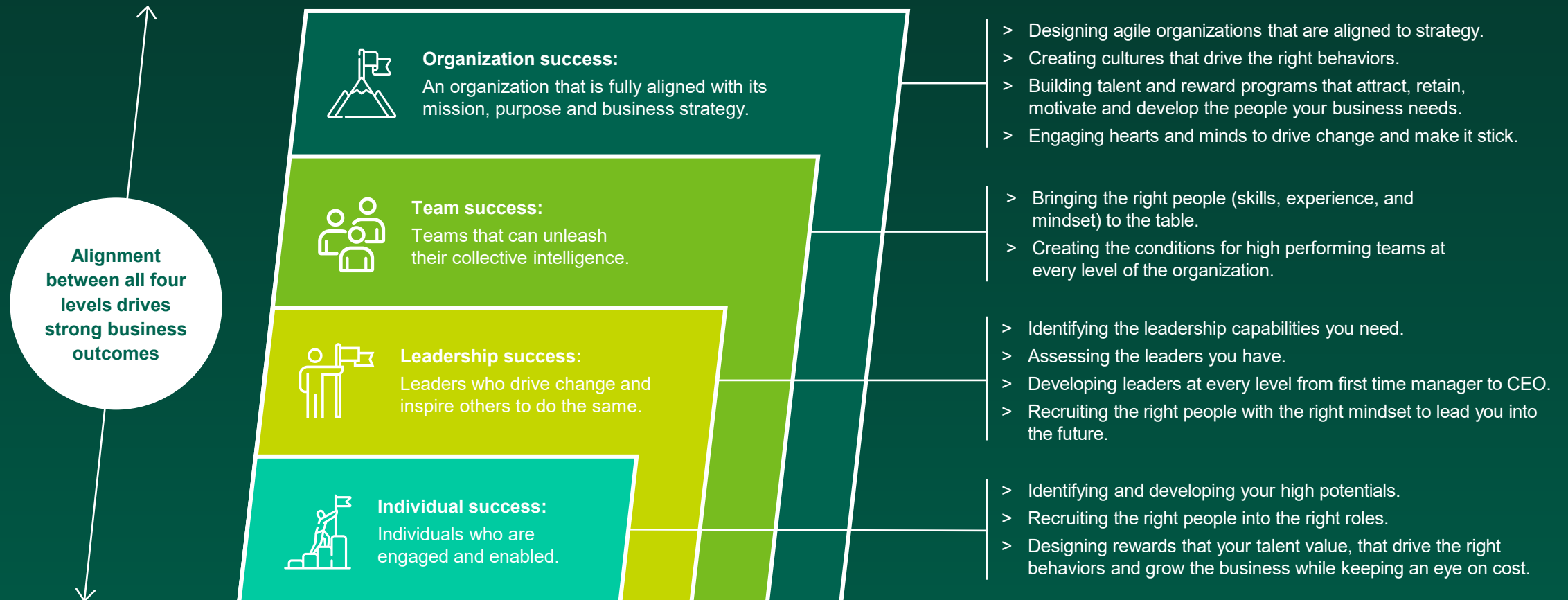
- > Clarified and documented team purpose, accountabilities, and decision rights aligned with CEO's priorities for the business

- > ELT that is clear on its collective purpose, accountabilities and decision-rights as well as expected behaviors and team processes
- > Increased alignment and ability to do the work of the team
- > Documented agreements and next steps

| Appendix



Korn Ferry helps organizations maximize their potential



Client impact: illustrative case study

BACKGROUND

The CEO was struggling to get traction with his leadership team on a new strategy implementation despite each member of the leadership being committed to the strategy. This made the lack of implementation hard for the CEO to understand. The issue, Korn Ferry determined, was that while they supported the strategy, the leadership team had not agreed a shared, collective point of view on how to implement it.

OUR APPROACH

Discovery

We started by understanding the leader's goals for the business. We then:

- > Analyzed the organizational structure and operating model (to determine if there was anything structurally that was preventing the organization from achieving its goals).
- > Conducted team diagnostics (interviews).
- > Identified key issues that were helping or hindering the team.

Work with the CEO and the leadership team

We began a journey of helping: a) the leader change the work of the team, and b) the leader and team change behavior and processes to become more effective in delivering on the team's purpose.

- > We conducted working sessions where we introduced relevant team decision-making frameworks and coaching.
- > We observed the team-at-work and provided feedback to reinforce what was helpful, and what ways of working limited their ability to be a high performing team.
- > Through the process, we continually coached the CEO, to help him lead the team through the transition.

BUSINESS OUTCOMES

- > Six consecutive quarters of growth (previously inconsistent in delivering the numbers).
- > Q2 2018 highest earnings since Q3 2014.
- > \$27bn in divestitures on track to meet target of \$30bn by close of 2018
- > Completed two new strategic acquisitions.
- > Moved to lead in its class of companies (previously 2nd for 10+ years) based on total shareholder return.
- > Chairman called out at this year's AGM that under the CEO's leadership the top team "has truly become a team" (this is the CEO's 3rd year in the position).

Do you have a high performing executive team?

Early indicators that drive team outcomes

- > Members are aligned on mission, strategy, goals, and priorities – and how the team’s collective work furthers organizational performance
- > The team is both diverse and inclusive, openly discussing vital issues and assuming positive intentions even as they disagree
- > Members make decisions unselfishly for the greater good, not in their own self-interest
- > When a decision is made, everyone owns and fully supports it – even if they disagreed during the debate
- > Members fully participate in change initiatives; they do not just “bless” them
- > Members walk the talk and live the organization’s values, acutely aware of the shadow they cast

Team outcomes that drive business outcomes

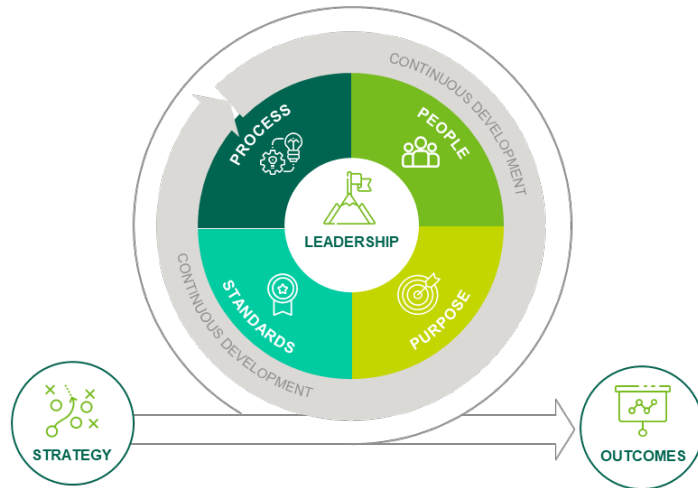
- > The whole is greater than the sum of its parts: the collective intelligence of the team creates new possibilities
- > Stakeholders at all levels believe that the team is outperforming expectations
- > Members develop breadth as individual executives, because they are a member of the team
- > The team as a whole improves its performance over time, continuing to evolve and grow

*Based on the research of Korn Ferry and Harvard University in **Senior Leadership Teams** (Wageman, Nunes, Burruss, and Hackman, 2008) and furthered in **Leadership Team Coaching** (Hawkins, 2017)

KF Team survey

Leader and team member perspectives

TEAM MODEL



DEFINITIONS

Leadership:

The organization and team leader secure the resources and create the conditions that enables the team to deliver optimal performance.

Purpose:

The team's reason for existing is inspiring and important, and the team's objectives and priorities are well-defined and clearly understood by the team.

People:

The team is composed of members with the range of knowledge, skills, and expertise needed to execute the team's purpose, and who act inclusively to recognize the value of diverse perspectives.

Process:

The team has defined clear individual responsibilities, collective work, decision-making processes, and performance tracking in line with the team's purpose.

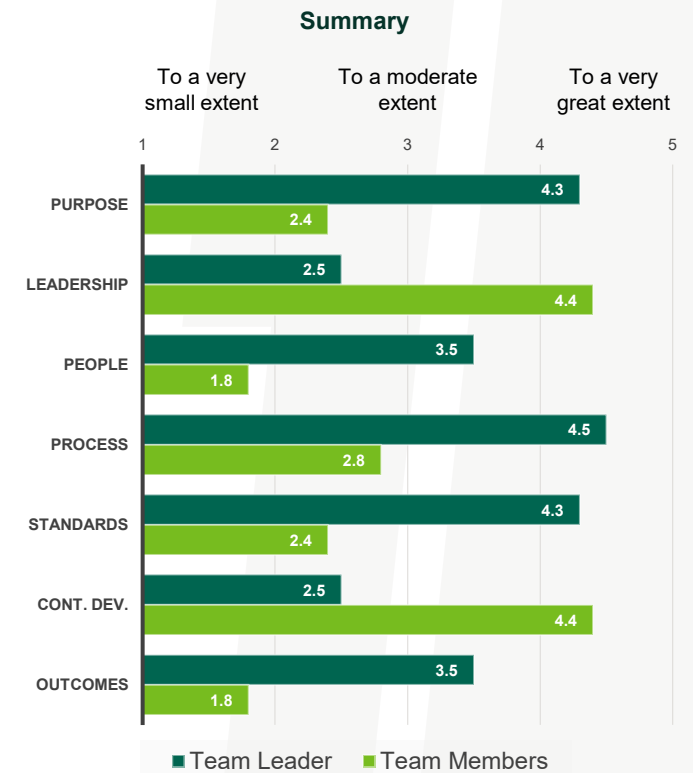
Standards of Behavior:

The team has established and demonstrates clear norms, actively discusses issues, and fosters supportive relationships among team members.

Continuous Development:

The team improves its processes and dynamics, innovates, and addresses team skill gaps to adapt to the evolving business environment.

SAMPLE OUTPUT



Thank you

