# *Senior Leadership Teams—What It Takes to Make Them Great*

Ruth Wageman, Debra Nunes, James Burrus, J. Richard Hackman. Harvard Business School Press, 2008, 241 pp.

Many books on leadership come and go, offering the inspiring buzz typical of NY Times best-sellers, a new hot shot's motivational discoveries and slogans, and the latest, next generation language for basic practices as old as Henry Ford. Some of this popular, mass-marketed reading is valuable. Who doesn't need inspiration from time to time? But this is not that.

Senior Leadership Teams is a well-engineered blue print for building from the ground up. Two Harvard Business School academics and two seasoned, market place consultants discovered a shared interest in high-functioning senior leadership teams, pooled their individual awareness, surveyed 120 senior leadership teams around the world, and distilled their insights in this seminal resource for business owners, top leaders, and CEO's.

Please note: this synopsis is provided for personal, educational use only; it is not for sale. It is not licensed or endorsed by the authors or their publisher. All credit for quotes, direct and indirect, is due the authors.
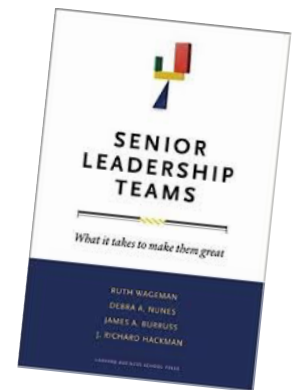
The authors begin by stating their awareness that very few top leaders in any growing organization can live up to the ever-increasing demands placed upon them by the people above them and below them, the pace of the market, the growth of technology, and the expectations of their customers. "As one executive told us after taking himself out of consideration to head his conglomerate's fastest-growing division, *'I know this job. It consumes your life. It's not what I want for me and my family'*." The authors go on to quote leadership guru Warren Bennis. *"We cling to the myth of the Lone Ranger, the romantic idea that great things are usually accomplished by a larger-than-life individual working alone. Despite evidence to the contrary—including the fact that Michelangelo worked with a group of 16 to paint the Sistine Chapel—we still tend to think of achievement in terms of the Great Man or the Great Woman, instead of the Great Group"* (pp. 4-5).

Senior Leadership Teams presents leadership teams as the answer to the needs of both overwhelmed and frustrated leaders and organizations working to develop unrealized potential. But the authors are not recommending *leadership by committee.* High functioning senior leadership teams are developed and led by strong CEO's who create the necessary conditions for their teams to thrive. What are these *essential* conditions? The top leader must be sure that 1) he or she is creating a *real team* that 2) works from a clear and compelling sense of *purpose* and 3) is composed of women and men who have the *knowledge, skill, and experience* the team needs to do it's work. That's it: a real team, guided by a clear and compelling sense of purpose, composed of the right people. If the CEO misunderstands the essential elements of these conditions or does not want (or is not able) to establish these essential conditions, the authors state that it is best not to attempt to form a team at all. Just stay on your horse, Masked Man, and keep riding down the lonely trail!

Six Conditions for Senior Leadership Team Effectiveness
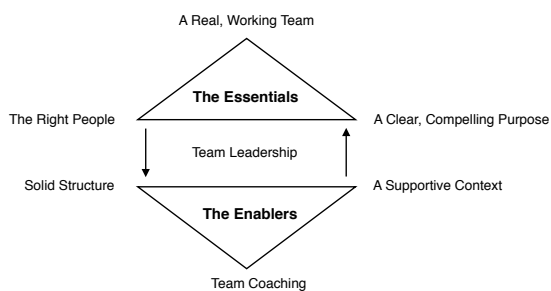
But if these three *essential* conditions can be cultivated, the next three *enabling* conditions will help a team take full advantage of the solid foundation provided by the essentials.

These enablers include 1) a solid team structure—the right size, the right assignments, the right schedule, the right expectations for collaborating or resolving conflict; 2) a supportive organizational context that highlights the team's distinctive identity and value, and provides all the resources team members need to fulfill their purpose; and, 3) competent team coaching, usually by someone outside the organization who can guide the team's development, watching with a fresh pair of eyes and listening for the team's emerging voice. Getting these six conditions in place is hard work and will require the leader to challenge his or her own independence, fears, and weaknesses. But once these conditions have been established, the authors declare that their research demonstrates that positive developments can take place very quickly.

Most of the illustrations the authors present are taken from very large national and international corporations so not all the examples provided will fit your situation. However, most readers will find that the principles and recommendations remain applicable for anyone leading a small or mid-size organization through a season of growth and increasing complexity. Wherever you and your organization may be, you can begin preparing the ground for the development of a senior leadership team. This blue print will guide your thinking and preparations for the day you begin construction. This one page summarizes the book's main contribution to the subject of senior team leadership. The synopsis is a bit longer than others, due to how much practical insight is provided and how many truly helpful recommendations are made.

PART ONE: THE ESSENTIALS (chapters 2-4)

All three essential conditions are interrelated and iterative—that is, evolving definition and development in one area affects the other areas and, each must be adjusted and refined in relation to the others as the senior team takes shape and begins to lead. A CEO may begin developing these conditions in any order that makes sense to his or her context.

First, Decide if You Need—and Want—a Team (2)

Not every organization needs an integrated senior leadership team. Not every CEO is prepared to form and lead a team or has the personnel to do so. To frame the opportunity, the authors note that there are four major types of senior leadership teams. The most basic is an *information-sharing team* that comes together to hear from the CEO, brief the CEO, and take information vital to the organization's over-all success back to their individual teams. *Consultive teams* come together to contribute information to make the CEO better informed and better able to make key decisions. Both information-sharing and consultive teams help create clarity and alignment across the organization but, neither joins in making top-level decisions. *Coordinating teams* come together to coordinate or manage interdependent initiatives or strategies across the entire organization. They also share information and consult with the CEO, but they may not make decisions that affect the entire organization. The fourth major type of team is a *decision-making team.* Decision-making teams make selected, strategic decisions that affect the entire enterprise. This type of team is the most complex but, potentially, is the most valuable of the four types.

What separates different types of working groups from a high-functioning senior leadership team is the CEO's decision to treat the team as a vital entity and put in place three key elements. First, team members must be called to authentic interdependence that is built on shared responsibility for achieving collective goals for the organization as a whole. Second, the team must have a clear identity and membership, such that everyone on the team and many in the organization know who the team members are. Third, the team must be stable enough that the members have time to learn to work well together and to reach and celebrate shared goals. Real interdependence is the most challenging and crucial quality to develop. Team members must be called to make decisions collectively that benefit the entire organization, not just their individual departments or divisions.

Lone Ranger CEO's must take careful personal inventory. Teams make sense when organizations are growing rapidly, seeking to integrate their business horizontally, anticipating major capital expenditures, or moving into a new stage in their life cycle. But is the man or woman at the top ready to select, develop, and lead a team of leaders? The costs deserve as much attention as the benefits. A senior leadership team will require strong, ongoing leadership from the CEO and will dramatically shift the power dynamics at the top of the organization. With this awareness, the authors footnote Jon Katzenbach's observation, *"We find very little team performance in the executive suites of most organizations"* (p.221).

Create a Compelling Purpose for Your Leadership Team (3)

The authors begin, *"Let's assume for the moment that you want a decision-making team. Just what decisions will it make? What defines the domain of what your team will accomplish together? How will you explain that to your team in a way that orients, focuses, and engages their energies?"* *"To get it right, chief executives must articulate to their teams a purpose that is* consequential, challenging, *and* clear*"* (p. 59). First, the team members must be convinced that the work the team is called to do matters deeply to the entire enterprise's short-term and long-term success. Second, the team must be given challenges great enough that individual team members are both inspired to give their best and required to work closely with one another, exchanging strategic information, coordinating organization-wide initiatives, and making decisions together that are vital to the entire organization. If senior team members aren't given a purpose that is compelling and challenging they won't invest themselves wholeheartedly in the team. Third, and this is the hardest to develop and maintain: each senior team member must be able to clearly articulate the team's purpose. Purpose must be carefully defined by the CEO and must be crystal clear to everyone one the team.

After citing common threats to clarity, the authors identify four steps to establishing clarity of purpose. 1) Identify which aspects of the enterprise *"require close interaction and joint decision making"* (p.69). 2) To help identify these interdependencies, the team members can be asked to identify a short list of the organization's "must win battles" and discuss how they need each other in order to win those battles. 3) In light of these battles, the team can further clarify, what are the mission-critical contributions that only this team can provide? 4) The flow of this discussion can then proceed to establishing a conceptual purpose statement that will guide team decisions and actions as the team moves forward. Developing a truly consequential, challenging, and clear declaration of purpose is intense, emotional, demanding work. The process is likely to uncover disagreements and conflicts among the members of the team and unresolved tensions within the organization. At some point, the top leader must be willing to exercise executive authority to draw discussion and debate to a close by announcing his decision and making a directive to the team. When this essential condition (a compelling and clear team purpose) has been established, each individual member will come to believe that the work of this team is of greater importance to the organization than the work of his own front line team in the department or division he leads. The senior leadership team will become his or her "first team".

Get the Right People on Your Team—and the Wrong One's Off (4)

"Once you know what you want your team to accomplish on behalf of the organization, it is time to address what may be the most emotionally challenging team leadership question of all: Whom do I need on this team?" (p. 80). The authors advise top leaders to look past seniority and formal positions to *essential competencies*. Senior team members must understand than their role requires them to represent the entire organization. But this does not mean that every department or division manager or leader must be given a place on this senior level team.

Essential competencies include, 1) An executive leader self-image: that is, seeing oneself as an executive leader over the whole enterprise. Look for men and women who, even within their individual departments or divisions, already see themselves—talk and act—like leaders who are committed to the success of the entire organization. 2) Individuals who demonstrate conceptual thinking ability: that is, the ability to *"synthesize complex information from divergent sources and extract their implications for the enterprise"* (p. 87). These men and women can listen to a wide assortment of concerns and perspectives, see larger issues at work, recognize controlling patterns, and suggest fresh solutions that frame a bigger picture and bigger possibilities for the organization as a whole. 3) Demonstrations of empathy and integrity: that is, the ability to listen well, embrace other points of view, speak up for personal values and vision, enter into robust constructive conflict, invite counsel and even correction, keep confidences, and fully implement decisions that the team has made, even if they are not in full agreement. When men and women with these competencies are selected, the authors suggest that they be taken through a structured "on boarding" process that makes clear the expectations around their individual behavior, their role on the team, and their role as an enterprise leader over the whole organization.

However, there are men and women in every organization who should not be given a place at the table. These are *derailers* who do not respect the CEO's leadership, may not agree with the organization's chief strategies or it's operating model, may not embrace the senior team's stated purpose, or conform to the team's behavioral norms. Keep in mind that open disagreement and constructive conflict are not dysfunctional behaviors; they are essential to healthy team leadership. Derailers are those who publicly appear to be working with the team but privately undermine the team. Among other patterns, watch out for men and women who display a victim mentality when called to account, who make blanket judgments about other people and circumstances, who vocalizes dissent and criticism outside of team meetings, and who seem to bring out the worst in other team members. Derailers need to be confronted early and directly, as soon as their dysfunctional behavior surfaces. As one CEO the author's cite put it, *"Honest mistakes will not get you off the team. Foul play and a lack of commitment will"* (p. 98).

PART TWO—THE ENABLERS (chapters 5-7)

The enabling conditions make it possible for the CEO and the senior leadership team to develop their full potential. These three conditions are best implemented in order—creating solid team structure, creating a supportive organizational context, and providing competent team coaching. *"Coaching is far more helpful to teams that are otherwise well designed and supported than it is for teams whose structure or context is significantly flawed"* (p. 109).

Give Your Leadership Team the Structure It Needs to Work (5)

The authors begin this chapter by introducing us to Lloyd Hill and the executive team he assembled when he became CEO at Applebee's. *"He assembled what he thought would be a world-class executive team. It was composed of talented, experienced, and successful individuals—each a strong player in a particular arena. That individuality, however, was exactly what worked against the team members when they tried to work together. Part of the problem, team members say, was a culture clash. Although Hill wanted to create a collaborative, supportive, people-based culture, there remained an unstructured, entrepreneurial atmosphere from Applebee's start-up period of only a few years earlier". "The close-knit team that Hill had envisioned, one in which everyone listened and collaborated to achieve common goals, failed to materialize. Turf battles broke out, and factions formed. 'We were definitely dysfunctional,' recalls the CFO at the time. 'We were experiencing the white hot heat of a team that wasn't working. There wasn't trust. There wasn't the sense that other members were looking out for your best interests. We weren't valuing each other's concerns because we had built up walls and weren't even listening to each other any more'."* (pp. 111-112)

Team structure, more than any other of the six conditions, can determine which senior leadership teams thrive and produce outstanding results and which do not. There are three key elements in effective team structure. First, *team tasks*, made clear in meeting agendas and individual assignments, must be specific, concrete pieces of work that are meaningful, challenging, and mission-critical. Trivial assignments suck the life out of senior teams. Second, high functioning teams establish clear *team norms* for communication, conduct, conflict resolution, and establishing shared commitments—norms clear enough that team members develop trust and mutual accountability. Third, decision-making teams must remain *small*—no more than eight members, each member bringing distinctive strengths to the table—for spirited interaction effective decision-making. This chapter is filled with practical recommendations for leading energizing, inspiring meetings, developing and modeling clear team norms of conduct, and maintaining effective team size. Structure is always a work in progress that CEO's and team members should revisit and reevaluate as the team develops.

Give Your Leadership Team the Support it Needs to Succeed (6)

The authors share a surprising discovery: senior leadership teams often lack the resources they need to do their best work. Senior team members are often well-paid and make sure that their departments or divisions are well-resourced. This awareness seems to tempt them to show the organization how frugal they can be with company assets. But, for senior teams to function with excellence, five types of support are critical. 1) Meaningful financial rewards that highlight team work and success in delivering on team accountabilities, including bonuses for team accomplishments, not just for individual accomplishments or organizational growth; 2) generous information sharing that allows team members to make effective analyses and even assess their team effectiveness; 3) education and training for team members who need to develop greater awareness or expertise around various aspects of team culture or team tasks; 4) practical resources that include ample time, space, support staff, and office equipment/supplies; and, 5) opportunities for developing trust and goodwill among senior team members, outside of task-oriented assignments or meetings. *"Outstanding senior executive teams, compared with mediocre and poor teams do not skimp on support resources"* (p. 141).

The chapter is filled with practical insights and illustrations that are forcefully presented. For instance, on providing for senior team member's education and training, the author's suggest that though senior team members are often the most highly educated and experienced of anyone in the organization, *"Even very senior, experienced, well-educated leaders have much to learn about what it takes to work well in teams. And those chief executives who take education seriously and invest in their team's development have better teams. Indeed, second to rewards, eduction about team work is the support resource that made the most difference between outstanding teams and all the rest"* (p. 152).

Coach Your Team—And Timing Is Everything (7)

High powered senior team members are often challenged to see themselves clearly, invite counsel, or admit personal weaknesses and failures. And some are tempted to dismiss correction, even from the CEO. Hence the value of inviting an outside executive coach to notice team weaknesses and challenges, and affirm team growth and accomplishments. While a CEO may attempt to provide senior team members with coaching, the authors give several reasons to engage with an outside coach. First, the CEO is himself or herself so caught up in the team's work that it may be very challenging for the CEO to see himself or herself with objectivity. Secondly, not all CEO's have the high level coaching skills to provide what is needed for their senior leaders. The authors tilt toward recommending an outside executive coach or even a small team of coaches to work with individual executives and the senior team as a whole.

The importance of providing the team with coaching, not just providing team members with individual coaching, is a vital distinction. A coach can engage in team meetings from time to time—particularly at the beginning of the team's life-cycle, the mid-point, and the end—to help the team find its voice, become aware of team patterns of engaging, take specific, practical steps of growth toward team health, assess progress, and celebrate team achievement. *"Effective team coaching addresses the task-related behavior of the team with the intent of helping it develop and sustain three things: (1) high levels of motivation for the team's collaborative work, (2) effective collective approaches to team tasks, and (3) the ability to identify and deploy all the considerable talent that the team members bring to the table. High quality team coaching is about the work that members must accomplish together. Behavior on the part of members that supports or impedes the three work processes just identified is fair game for a coaching intervention, whether the intervention corrects ineffective behavior or reinforces good teamwork"* (p. 163).

Effective executive coaches will support the development of a coaching culture within the team that encourages peer coaching between team members during meetings and between meetings. *"Outstanding teams had significantly more coaching, both from leaders and from one another, than did mediocre and struggling teams"* (pp. 160-161).

PART THREE—LEADING A LEADERSHIP TEAM (chapters 8-9)

The focus of these concluding chapters is on the CEO or the team leader and the personal capacities that establishing and maintaining the six conditions requires and, developing and leading a senior team demands.

Develop Your Own Team Leadership Competencies (8)

Senior team leaders have to fulfill two main executive functions: *"Getting the leadership team set up right"* and *"providing competent real time team coaching"* (p. 184). To fulfill the first function effectively the team leader will need to develop and apply his or her 1) organizational acuity—*i.e.*, understanding of what the organization needs and how to provide it; 2) conceptual skill—that is, the ability to cast vision and organize around breakthrough perspectives and realizations; 3) the courage to make big decisions in the moment; and 4) political skill, which is not about manipulation but, preparation. *"Preparation, often overlooked, is real leadership work. It involves doing whatever you can to expand and deepen your knowledge about the changes your enterprise most needs, sharing that vision with others, building a coalition that is ready to provide support, and then taking initiatives to align the interests of powerful and potentially skeptical people whose cooperation you need"* (p 191).

To fulfill the second function—providing real time team coaching—effectively, the CEO will need to refine several additional competencies: 1) monitoring skill—*i.e.*, the ability to develop and maintain sharp awareness of what is going on and why, within the organization; 2) empathy or emotional intelligence—that is, high levels of emotional awareness and relational sensitivity that help a leader navigate and maintain challenging relationships; 3) the ability to cast vision for a preferred future and to inspire team members to maximum professional engagement; and 4) coaching skill. Even if the CEO is engaging an outside coach to work with the team, the CEO can, himself or herself, learn to lead with greater impact through strategic listening and discerning questions—especially at the mid-point and end-point of the team's life cycle.

These are daunting lists! Thankfully, the authors recognize that they are long-term, perhaps life-long developmental tasks.The authors advise top leaders to take personal responsibility to go first, stretching into a season of growth by engaging personally with an executive coach, sharing leadership with other senior team members, and learning from experimentation. Be willing to express the humility it takes to make failure your teacher. Leading a senior leadership team requires unusual self awareness, authenticity, and emotional maturity. But a commitment to personal responsibility and humility will empower any CEO to move toward his or her weaknesses to become a competent leader of leaders.

What It Takes to Make Them Great (9)

This chapter is a short review of those few pieces of awareness and steps of action that can have the greatest impact.

1. Remember, you may not need a senior leadership team. If you have doubts, start with an informational team or a consultive team, not a coordination team or a decision-making team. You can move gradually, developing different conditions as time allows, resources make possible, and circumstances permit.

2. Give your senior leadership team vital work. Your senior leaders' time is extremely valuable. Make sure you are giving them extremely high value assignments. Senior team members must be able to easily recognize that their assignments and accomplishments are well worth the time and effort you are asking them to invest.

3. Clarity around the team's purpose must be crystal clear from the beginning to the end of the team's life-cycle. The organization's mission (often engraved on a hallway plaque) is not the team's purpose. Senior team purpose is more closely allied with the organization's key strategy or strategies. Invite senior team leaders to help you refine the team's purpose.

4. Derailers can kill a senior team. Derailers are frequently high level executives who make significant contributions to the organization, so they cannot be treated abruptly or harshly. A CEO must deftly find ways for these individuals to continue contributing at high levels, thought not continue as members of the senior team.

5. Team norms are crucial. Even executives need to know what behavioral norms are required for their participation on the senior leadership team. What are the few things each team member must do to work effectively within the senior leadership team and, what are the few things that are always out of bounds when this team gathers?

6. Outstanding leaders give serious attention to their senior teams. *"The best of them do not skimp on the support and resources that their teams need"* (p. 214).

7. Leading senior teams is a learned skill. The best *Lone Ranger* leaders will have to dive in, unlearn some old strategies that served them well as the sole organizational leader and learn some new ways of thinking and behaving that help a senior leadership team thrive. Some leaders will have to develop new competencies; some will have to deepen competencies they have already acquired.

"Chief executives would never take their competitive or regulatory environments as given". "But many of them take almost everything as given when it comes to the composition, structure, and support of their teams of senior leaders". "The main message of this book is that it doesn't have to be that way" (p. 217)