Executive Team Wisdom
White Paper

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Executive Team Wisdom

XYZ Company had what could best be described as a survival-of-the-fittest method for those who wanted to climb to the top. As a direct result of this, those who made it to the executive suite always seemed to be at odds with each other. The CEO wanted everyone to get along.

Toward that end, the CEO brought in a psychologist, who had little real world business acumen, to help fix the executives. He informed the executives that they would have to sacrifice their egos in order for the company to progress. Needless to say, due to what was required to gain entry into the executive suite, this didn't work well. Nothing changed and the continual conflict contributed to the CEOs decision to retire later that year.

The new CEO came to us for guidance. Team coaching that augmented real work on strategic outcomes was recommended and implemented. One of the first questions asked by the executives was about the need to sacrifice egos. We let the team know that it couldn't be done and that a strong ego was exactly what got them where they were. Each of their egos was now firmly ingrained as part of their self-identity. To have them try to sacrifice that part of themselves would cause them to move from open conflict toward unconscious sabotage, though some conscious sabotage was already happening.

We went on to discuss the positive traits of having a strong ego. One of those traits was that the team tended to be very blunt with each other. As we explored, through a collaborative dialogue process, it became clear that there were differences in each person's values hierarchy and individual functional goals, creating the conflict amongst the executive team.

While the organizational purpose and goals were clear, there wasn't any alignment between executives or mutual accountability towards those goals. Each executive team member chose to implement processes however they saw fit. It was the un-communicated disagreements on implementation that were creating battlegrounds further down the organization, because different departments had different methodologies. These disagreements created conflict when it was collaboration that was needed to get the job done.

At this time we brought in a colleague who specialized in operations to join us. The major outcome of the additional team coaching sessions was to create operational guidelines for implementing the mission and vision of the organization. Because this process was done openly, with the inclusion of the entire team, there was a high level of collaboration and transparency. That began to filter down throughout the entire organization. These guidelines mitigated most, though not all, of the values differences of the executive team members, and the group dynamic began to shift.

There were profound positive results. The best outcome shared with us was that the company's customers were wanting to know what had changed as the company was much easier to work with.

To create this transformation required "wisdom." We define wisdom as the integration of head (intellect), heart (courage), hunch (intuition) and hands (action). Each of the executive team members already knew what to do. In the end it was their courage to take action and hold each other mutually accountable that produced the amazing results, and established them as leaders in the emerging Wisdom Economy.

INTRODUCTION

Many executives are hesitant about teams. Few have experience putting together well functioning teams.

The choices we make reveal the true nature of our character.

Executives arrive at the top by producing results directly and through the individuals they lead. They are natural over-achievers whose reputations and professional futures are riding on results. Sometimes, they aggressively defend organizational silos when competing for scarce resources within the organization. Traditional leadership education and development has reinforced the stereotype of the heroic leader who does it all.

Many executives are hesitant about teams. Few have experience putting together well functioning teams. Teams are sometimes considered a necessary organizational evil. In other instances, a company's executives really function as an affiliated group not as a team. While many teams do create noteworthy synergy and superb outcomes, some become buried in never ending conflict and concealed sabotage. The price tag of this conflict and sabotage can be devastating.

There's more to a team than traditional, logical perspectives on teamwork. Executives need to acknowledge that human rationality is only the tip of the iceberg. Below the surface, teams are interpersonal blenders in which delicate organizational and interpersonal issues are dealt with discreetly (and sometimes indiscreetly).

Authentic teamwork entails numerous tangible risks for individuals. If these hazards are not addressed, individuals can marshal social defenses to shield themselves in order to preserve current conditions. These defenses may defuse anxiety but they also prevent real work from being accomplished. Those operating this way can become addicted to dysfunctional behaviors that become self-reinforcing.

Ironically, the formation of some executive teams is a defensive exploit that masquerades as real work while disguising efforts to preserve the status quo. At it's cruelest, executive team building becomes a ceremonial practice obstructing important actions that might enrich organizational success.

Do all executive teams succumb to these pressures? Of course not. Even with these pressures, many teams perform quite well, to the benefit of their organization.

Executive Teaming Is an Unnatural Act

Executives are constantly in the spotlight. Their every action is dissected for any sign of what is or isn't happening within the organization. Who dissects their actions? Direct reports, first line managers, employees, other executives, and even the competition. This kind of environment does not encourage self-disclosure.

There is a natural tension between these highly competitive individuals. The next step on the career ladder is often the CEO position, and there may be several executives competing with each other for that slot. If that position isn't going to be available, executives sometimes take actions that look good on their résumé but have negative consequences for the organization.

As stars in their own functional silo, they have been assessed and rewarded based on the success of that part of the organization. As a result, they may exude over-confidence about their individual abilities. This is frequently linked with poorly managed anxiety about how to work with equals and the joint challenges they face.

The complexities of running an organization in today's environment continue to grow. Executives are required to play numerous roles simultaneously. Some of these roles have built-in conflict because of the different outcomes required by each one. Executives have to balance personal outcomes, outcomes required of other team members and outcomes required by the organization.

Executives rely on data from their functional silo. They are well skilled in the ability to analyze the data to yield information and construct knowledge. Conflicts can occur, however, when one executive's data does not correspond with another executive's data. When executives fail to synthesize all of the data, information and knowledge to decode the overall organizational experience, they reduce their ability to generate insights that lead to wise decisions.

It's lonely at the top. With the absence of a safe forum executives may have no place to unburden themselves. Additionally they may feel that the climate of the executive team is too risky to be transparent.

The team is playing "not to lose" instead of playing to win.

As a result, they may exude over-confidence about their individual abilities.

Consequences That Prevent Success

Lack of alignment results in strategic plans that are heavy on concepts but light on measurable action.

Many of these issues have significant consequences for the executive and the success of the organization. Generally these issues impact the organization's performance, profitability, and culture.

When executives aren't functioning as a team, the organization's overall performance takes a hit. The executive team is the core of any organization. Whatever works at the core energizes the entire organization. Misalignment at the heart drains energy from an organization.

Lack of alignment results in strategic plans that are heavy on concepts but light on measurable action. Meetings become non-productive, with discussions and language focusing on scoring points and finger pointing rather than collective responsibility. Empire building runs rampant with executives imagining that the more people they manage and the bigger the budget, the greater the chance that they will be promoted. Intense battles can occur around budgets, strategies and operations.

This constant crisis mode of operation is one cause for key executive talent to quit an organization. When a company starts hemorrhaging executive talent it gains a reputation that it is a nasty place to work, making it difficult to recruit qualified candidates.

Profitability can suffer when the cooks in the kitchen are using different recipes. Organizations may become paralyzed because executives can't find a way to agree on critical decisions. Interdepartmental competition and turf wars between rival managers lead to the reinforcement of silos, which results in poor interdepartmental communication and even worse outcomes.

Every team member is different and these differences can cause misalignment.

One company created a compelling marketing campaign for a key product, but didn't inform their sales force about the campaign or prepare them to respond to potential customers. When salespeople started getting calls from prospective clients they didn't know how to respond, and couldn't convert these hot prospects into customers. Worse, potential customers now viewed the company as incompetent. The costs of the campaign were minimal; the cost of lost sales significantly impacted the profitability of the organization and eventually led to a merger with a competitor.

When personal agendas of the executive team impact the culture of the organization, survivability becomes disproportionally the focus of recruitment, selection and promotion. Hiring and promoting individuals who are supportive can ensure loyalty even though the person may not be the best candidate for a position.

Workloads may become unequally distributed, with overworked employees demonstrating passive-aggressive behaviors, becoming difficult, and producing inferior results. These actions essentially cause employees to disengage.

When employees feel abused or unappreciated absenteeism rates climb. When they lose confidence in the leadership team, employees greet new initiatives with cynicism and resistance. Turnover rates increase, with the best employees often the first to leave, usually taking a position with the competition.

Consider Gallup's 2013 survey, The State of the American Workplace. Results indicate that the majority of people working within an organization are not engaged. Worse, some 20% are actively disengaged. Gallup estimates that lack of engagement costs U.S. businesses as much as $450 billion to $550 billion annually.

Team coaching is all about aligning everyone to the same page

When employees feel abused or unappreciated absenteeism rates climb.

Creating and Maintaining Engagement through Alignment

Unlocking the collective wisdom of the executive team is a major step toward competitive advantage.

Creating alignment within the executive team is critical to promoting engagement and advancing the mission of the organization. Alignment involves facilitating an understanding and appreciation of team member roles and responsibilities, so that skills, expertise, knowledge and wisdom are fully utilized for synergistic outcomes.

Unlocking the collective wisdom of the executive team is a major step toward competitive advantage. When communication, collaboration and creativity are given room to breathe, the impact on both workplace behavior and strategic outcomes produces measurable profitability.

Tapping into such collective wisdom remains a challenge for many organizations. Engagement is not automatic and needs to be cultivated. Confidence and trust must be instilled within the executive team. Driving understanding of each individual team member fosters reassurance that executives can rely upon each other to execute established priorities. While trust between executive team members is critical, there are five measures of alignment that ensure performance, produce profitability and engage employees:

1. Committing to Organizational Purpose
2. Clarifying Organizational Goals
3. Implementing Collaborative Outcomes (results)
4. Embracing Mutual Accountability
5. Focusing on Self-Awareness and Interpersonal Dynamics

Unlocking Executive Team Wisdom results can be the difference between having a good organization, with good people and having a great organization with people who come together.

Purpose

Deep commitment to organizational purpose may require agreements that do not support individual performance measures. Putting commitment on display and communicating clearly and consistently develops a feeling of trust within the workforce and promotes stronger employee engagement. Commitment to purpose provides a compass for an organization.

Goals

Too often vague goals, such as “improve productivity,” are substituted for goals that personify real purpose and meaning. Clarity requires addressing the team’s focus on corporate, functional and individual executive performance outcomes, and gaining agreement on clear organizational goals. Goal clarity prevents organizational drift.

Collaboration

Collaboration is required when executives work with each other to generate shared organizational goals. Collaborative outcomes are reasonably easy to define; they are the concrete result of the executive team applying each person's unique skills to produce an outcome (performance improvement, market share, etc.) not achievable by the individuals working on their own.

Collaboration around organizational challenges requires self-examination of behavior and constructive communication. These methods specifically aim to increase the success of teams as they engage in collaborative outcomes.

Unlock your courage and intuition to generate insight.

Accountability

At its most basic definition accountability is "being called to account for one's actions." In executive roles, accountability is the acknowledgment and assumption of responsibility for actions and policies encompassing the obligation to report, explain and be answerable for resulting consequences.

True mutual accountability is critical to the success of an executive team. Best characterized by the phrase "We hold each other accountable" rather than "I hold myself accountable." This demonstrates the high degree of commitment that all members of a fully functioning executive team share. Executives are accustomed to being held individually accountable for whatever happens within their silo; when they are on a true team, they must subordinate individual accountability in order to pursue a collaborative outcome. Mutual accountability requires courage.

Mutual accountability requires courage.

Self-Awareness and Interpersonal Dynamics

In an organizational environment that is now networked, interconnected, rapidly transforming and constantly in motion, executives are being called forward to a more self-aware form of leadership. This new environment also requires skill development with interpersonal dynamics.

Summary

The Wisdom Economy is fueled more by active listening than by talking.

We are moving from knowledge-based leadership towards wisdom -based leadership. Wisdom isn't so much of a skill that one develops; rather, it is a state of being that emerges from within the leader from the experience of integrating head (intellect), heart (courage), hunch (intuition) and hands (action).

Executives are now realizing the unintended consequences and costs associated with our current approach to running organizations. Competition is so fierce today and the pressure to recruit exceptional talent for an ever-increasing number of leadership positions has created the need for wise leaders. The unintended consequences are asymmetrical. For example, it may take a few seconds to tear down an executive on the team and years to renew the lost trust, if it can ever be regained. The costs associated with this asymmetry are enormous.

We are at the beginning of a new economy, the Wisdom Economy. Over the last 60 years we have progressed from the end of the Industrial Economy, to the Information Economy and, currently, the Knowledge Economy. As Viktor Frankl wrote in Man's Search for Meaning, "We are still in the discovery process of identifying our purpose." Discovery of this purpose is not found in the accumulation of information or the knowledge that results with ever-finer analysis. Wisdom emerges from our experience of life through self-reflection over time.

The Wisdom Economy is fueled more by active listening than by talking. It is more inclusive in its search for solutions because purpose, meaning, context, and insight are the key words in the Wisdom Economy. To accelerate this transformation requires that each leader unlock their complete wisdom. It is through collaborative dialogue that asymmetric solutions appear.

Leaders who master PeopleSavvy® (knowing self, others, and team) leverage the Human Side of Success, resulting in higher levels of employee engagement, lower rates of career derailment and increased organizational productivity.

Dr. Stebbins has over three decades of experience coaching emerging and senior leaders in being more people savvy. A leader's awareness, commitment, integrity and authenticity are directly shaped by their internal landscape (the habits of thought, emotion, imagination and action).

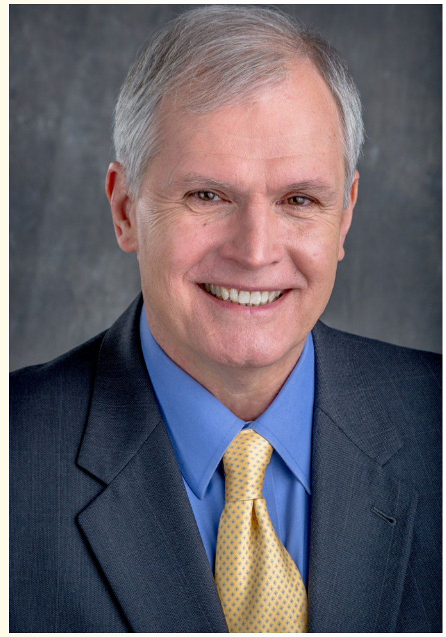
Through a process of dialogue and reflection using individually tailored questions, the leader takes ownership of moment-to-moment beliefs, fears, hopes, desires, and impulses, developing greater awareness, which leads to deeper understanding of self, others and teams. Leaders learn to integrate their knowledge and experience, transforming both into leadership wisdom that can be applied to guide an organization's success.

Skill development is very important for leader effectiveness. Seminars or workshops are effective for the initial layer of development. Personalized coaching provides time for participants to deeply reflect on the personal or organizational meaning toward being a more PeopleSavvy® leader.

Greg's senior business leadership experience is combined with his in-depth understanding of the complex human dynamics found in a working environment. Dr. Stebbins is a member of the Consulting Psychologist division of the American Psychological Association.

His former clients include many Fortune 1000 and Mid Cap companies, including: Abbott Laboratories, Amgen, CBRE, Dole Food Company, Fluor Corporation, IBM, RCA, 3M, and Sodexho.

Dr. Stebbins has an MBA in Finance from the University of Southern California, Los Angeles and an Ed.D. from Pepperdine University's school of education and psychology. He has lectured at University of Southern California, and the MBA program at University of California at Los Angeles. Greg has been listed in Marquis Who's Who in the World for more than two decades. Greg has an active and ongoing meditation practice stretching over more than four decades.



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