

SEPTEMBER 2015

THE EXECUTIVE TEAM SERIES: NUMBER ONE OF THREE

GOOD PLOW, WRONG FIELD

CFO to General Manager:

"Well, that executive team meeting was a complete waste of time."

CHRO to COO:

"I thought we were going to make a decision on that potential acquisition during the meeting, but all we got was a due diligence update."

CEO to Confidant:

"I wish this team would step up and start leading—they look to me all the time."

Does This Sound Like Your Team?

There are many causes to the dysfunction of executive teams, including poor team member relationships, succession dynamics, lack of meeting discipline, etc. But there's another, more sinister, silent killer of top team effectiveness. While it's not as immediately obvious as screaming matches, this dysfunction can be a potent driver of the statements above.

The silent killer is commonly known as "Good Plow, Wrong Field." It is the misapplication of executive team time on the wrong issues, or on the right issues at the wrong level. It results in the under-use of highly competent leaders and collateral damage to the organization. We've seen several prototypes of teams that suffer from "Good Plow, Wrong Field" (see sidebar).

If your executive team suffers from "Good Plow, Wrong Field" syndrome, you are not alone. According to a 2011 McKinsey survey, only 38 percent of executives said their teams focused on work that truly benefited from a top-team perspective.

DOING THE WRONG THINGS: THE SILENT KILLER OF EXECUTIVE TEAMS

THE SILENT KILLER OF EXECUTIVE TEAMS **Collateral Damage Caused Type** This team frequently holds grueling operating reviews, and frequently asks for more data to be collected afterwards. Decisions grind to a halt, leading to frustrated direct reports and The "Microdisempowerment. managers" This team's laissez-faire approach focuses on reviewing metrics, putting out fires and not "getting in the way" of operators. This results in energy drain below the team since others expend significant effort "Dashboard packaging data so the team can Watchers" believe it's "on top of things." This team confuses activity with effectiveness. They sponsor a flurry of strategic initiatives, with little active leadership of these efforts. The company has organizational "attention deficit disorder." "Like a Hurricane" This team is largely irrelevant. They meet, but others don't know when, why or on what topics. Information









goes in, but little comes back out

in terms of decisions, guidance,

approvals, etc. Employees sense

a coherent strategy to win.

that the company is adrift and lacks





The "Black

Hole"

This silent killer not only harms the organization; it makes the executive an expensive unproductive asset. Divide the total annual compensation of executive team members by the number of meetings and the result is a significant cost of human capital per encounter. The team members themselves don't receive much value either. Some have told us, "The only thing worse than being in those meetings is not being invited to them."

What's a CEO To Do?

Focus the Team on the Right Work at the Right Level

The first step is to diagnose the team's current modus operandi. Review the agendas and minutes from executive team meetings over the course of the last 12 months. Report out on the following questions:

- What topics did the team discuss?
- What was the purpose of these discussions (i.e., information sharing, alignment, decision, etc.)?
- How often did they discuss each topic, and what were the outcomes?
- How much time did they spend on these topics, on average and in total, over the course of the year?

• Who led the work on these topics during the meeting and between meetings?

The next logical step is to identify what the team should be spending its time on given the demands of the business and the longer term strategy. When we ask executive teams to identify the most important work they can do, the answers consistently fall into a vital few categories: setting strategic direction, allocating resources, developing talent and removing performance roadblocks.

As the team aligns around its charter, they should be mindful of how they work on each item—their work should be done at the right level. Avoiding "Good Plow, Wrong Field" means that the executive team adds the value they can **uniquely** provide and doesn't do work best done by other leaders and managers.

Finally, address the gap between the current mode and desired state by redefining the team charter and reconfiguring team meetings to focus on the right topics in the right way.

DOING THE RIGHT THINGS



LEADERSHIP TEAM ACTIONS

Setting Direction During Transformation

Reorienting the value proposition beyond the traditional product testing and subscription business model. Focused on clear strategic priorities with accountabilities at the leadership team level. Engaging the Board actively in strategic planning.



LEADERSHIP TEAM ACTIONS

Removing Obstacles During Growth

Revising internal governance structures to streamline decision making. Redesigning roles at the corporate level to leverage operational excellence. Focused on a handful of strategic imperatives to guide their actions.



LEADERSHIP TEAM ACTIONS

Talent and Organization for Growth

Redesigning the organization to drive category growth. Redeploying talent accordingly. Investing significantly in leadership development globally, from the Executive Team through several layers of management.











The River Group Executive Team Strength Meter

To what extent does your executive team suffer from "Good Plow, Wrong Field?" Does your team provide value-adding leadership on strategically important topics, or

does it get in the way and/or cause collateral damage to morale, culture and engagement?

Like the strength meter of a website password, CEOs can assess the strength of their executive team using the scale below:

WEAK		TABLE STAKES		VALUE ADDING EXECUTIVE TEAM	
Collateral Damage	Benign but Irrelevant	Herding Cats	Fit for Purpose	Poised for Greatness	Championship Caliber
The executive team does the work of management. "In the weeds" style and centralized decision making wastes effort and disempowers leaders.	Information goes up the chain, but not back down. Little communication from the executive team on strategy, priorities or decisions.	Discussion of the right priorities. Strategic direction is communicated and reinforced. The executive team provides effective oversight of strategic priorities.	Productive dialogue and collaborative work on strategy, resource allocation and talent development.	Tight alignment on strategic priorities. Executive team members have explicit accountability for priorities. Active engagement of leaders below the team.	Focused charter and executive accountability PLUS active dialogue with management levels below to learn, course correct and engage all levels of leadership.

The River Group was formed by clients for clients. The founders met 15 years ago as CEO client and consultant. Over the years, we have worked on many successful transformations together.

This track record of success and fruitful collaboration led us to form The River Group as specialist leadership

With the client/consultant perspective, The River Group is a different kind of consulting firm. We combine years of experience leading change ourselves or advising others on leading change.

We have the behavioral know-how of consultants and the focus and pragmatism of the CEO.

Contact: The River Group • leadership@trgglobal.com • trgglobal.com

Copyright 2015 The River Group, LLC. All rights reserved.











