



Transforming Your Executive Team Through the **Three Phases of Team Advancement**

Of all types of teams, Executive Teams have the unique responsibility to increase the value of the enterprise to shareholders, customers, employees, partners, suppliers, regulators, their industry, and ultimately the environment. They do this by driving business performance and manage major initiatives, such as:

- **Seize new market opportunities**
- **Incubate innovative new products and services**
- **Blunt threats from competitors and technological disruption**
- **Respond to shifts in the economy, stock market, interest rates, and regulatory environment**
- **Leverage M&A**
- **Seek new capital**
- **Navigate long-term trends**
- **Set overall company strategy**

Strong executive teamwork for these requirements can be a powerful multiplier. Or, weak teams can fritter away advantages and assets. It is up to the CEO to ensure they have the best possible team, fit for purpose for the future.

As a team takes on larger challenges, it must shift how it operates. Like an elite athlete or sports team moving up through regional, national, and international levels of competition, the team's structure, mindset, leadership, decision making and other processes must be appropriate to the team's next challenge or opportunity. The game strategies, tactics and training regimens that worked with subdivision competition likely won't suffice as you seek to win the championship. This article addresses how to take your team's approach to new levels and to win when facing bigger challenges.

If your team operates on the lower level of teaming and faces a major new initiative, the question is when, rather than if, you need to transform to the higher levels. However, transforming your team is not easy or fast, and it will likely involve some disruption during the transitioning. If properly orchestrated however, it will be well worth it in terms of the upside value to the company. In this article you will find some initial steps that you and your team can undertake to start the transformation of your team.



Figure 1: Three Phases of Team Advancement

1. Building Greater Value through Advanced Teamwork

Great business results come from executive teams constantly improving their teamwork. Team structure plays a large role. It's very common for us at Global Team Impact to come across teams that utilize a simplistic "hub-and-spoke" configuration whereby members are siloed and take direction from the CEO or team leader. In actuality, this is the most limiting form of teamwork because it's dependent on one person to manage information flow and make decisions. The talents of other team members are not fully leveraged and the critical intellectual friction for innovation becomes stifled. Ultimately the leader can become a bottleneck, key limiter, and even the single point of failure for the team.

In fact, there are at least two higher order ways of teaming that engage the team more fully for collective leadership, having a more wide-angle view of their work, innovating with a longer time horizon, continually developing their capacity to be fit for purpose for the future, and building value for not just the enterprise but the broader business and ecological ecosystem that they operate within. With this systemic view the team is no longer localized or isolated but sees themselves as part of and influential at the level of the entire system.

2. Three Phases of Executive Teamwork

These three orders of teaming are what we call the Three Phases of Team Transformation, with the three team structures being the Hub & Spoke team, the Inter-Connected Team and the Systemic Team.

We will describe these teams and the type of leadership required, as well as the critical transitions required to advance to higher level teamwork. These phases build on Peter Hawkin's 4 steps for CEOs in the journey of the team leader and the four levels of team coaching (Leadership Team Coaching, 4th Ed., Hawkins, 2021) and assume the team has already gone through its initial forming process described by Bruce Tuckman (1965).



Hub & Spoke Team

The Hub & Spoke Team is where individual leaders of a function or business unit report directly to the CEO and meetings consist of report-outs to the leader who makes the majority of decisions for the team. There is little to no engagement of team members to work on broader team KPIs beyond their own, and it's common to see competition or conflict between team members for limited resources and influence with the boss. There is little cross-functional awareness or thinking. This configuration is common because it is what most junior managers employ once they've been promoted from individual contributor. We've seen the president of a company use this because it was familiar from having led the Sales function where each sales person had a different geographic territory and there was no pressing need for their collaboration to achieve shared revenue targets. With the executive team, it greatly limited the ability of the functional leaders to innovate together and provide consistent leadership to the organization. When the CEO is making the majority of decisions, they often have their hands full managing siloed leaders. This keeps the CEO and team focused on short term results and not on the bigger picture and longer-term issues and opportunities for the business.



Inter-Connected Team

The Inter-Connected Team is where the CEO has connected and aligned the leaders of functions or business units to the overall purpose and objectives for the team. Sharing and collaboration across the team is encouraged, and there are common approaches to engaging employees around organization vision and KPIs. There is a substantial increase in cross-functional thinking and coordinated effort between senior leaders, which can lead to better overall achievement of team goals. However, cross-functional competition and conflict can emerge unless the leaders have begun enabling their teams to collaborate well with other teams in the organization. Thus, the focus of the Inter-Connected Team is to work together on solutions to create a more integrated organization for multi-year success.





Systemic Team

With the Systemic Team, the CEO's aim is to transform the team for more distributed leadership where most day-to-day and some long-term strategic decisions for the enterprise can be made without the leader. The alignment of the team allows for "Contributor Safety" and effective conflict management. Leaders share responsibility for enterprise KPIs focusing on value creation. They have teams underneath them that have been developed and empowered to operate at least as Inter-Connected Teams so that the leaders are able to focus on the enterprise as a whole within its market and community. The CEO must work on developing the team so they are comfortable stepping away and focusing on longer-term strategic initiatives to ensure the business is fit for purpose given emerging trends, opportunities and threats coming on the horizon. Additionally, the CEO is engaging the team with its broader system of enterprise within a market and strengthening its engagement with all stakeholders in a "team-of-teams" dynamic popularized by Gen. Stanley McChrystal (2015).

3. Sequencing the Transformations

We have seen that each transformation takes time, sometimes a year or more. A team can advance on some elements and stay behind on others. CEO's play a crucial role in helping their teams evolve to the next order of teaming. As they encourage their teams to make these transformations, the CEO will notice increased time and energy to focus on existential enterprise challenges and opportunities, turning them into sustainable long term performance and value creation.

In every transformation the team must assess and work through five major shifts in how it will operate and conduct itself in the next phase:

1. Value creation and metrics - What is our objective/purpose in this next phase, what are the outcomes we must achieve, together, and how will we measure success?

2. Strategic frame - What and who are the partners, events, challenges, opportunities and threats we must address?

3. Ways of teaming - How do we need to deepen our teamwork and relate to one another in service of the objective/purpose? What practices get in the way of, and which can advance a more powerful collaboration?

4. Leader's role - What are the ways the leader will catalyze the team to play to win? What strengths can the team leader tap into more? What behaviors limit the team from reaching its fullest potential? How can the team contribute to leadership?

5. Learning agility - How will we capture our learning about what works and what doesn't in our pursuit of our objective/purpose? How will we regularly integrate that into our teamwork to boost our performance?

Developing Your Team for Greater Impact

At Global Team Impact we support team leaders and their teams make these transformations to the next level of teaming. Curious to find out what we can do for you and your team?

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For more information and to schedule a complementary discussion

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