



How a Leadership Team Should Operate

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What role should leadership teams play within their organizations? Where should a leadership team focus its efforts? On the day-to-day operations or on the strategic direction of the organization?

Ironically, most leadership teams know their focus should be strategic, but they continue to deal with immediate crisis after crisis. How do they break the cycle? How do they add value to their organizations?

Effective Leadership Teams Positively Impact the Bottom Line

Effective, productive teams of all types have a positive impact on bottom line results and organizational success. Likewise, ineffective teams can often consume resources, waste time, and contribute to negative morale. This impact is amplified with a leadership team making it extremely important that leadership teams function effectively, productively, and up to their potential.

Two Roles of a Leadership Team

Typically, a leadership team operates in two ways: as a staff group handling the variety of issues involved in running a business unit and as a strategic group dealing with the longer term issues of survival, growth, and continuous improvement.

As a “staff,” the leadership group meets regularly to share information, coordinate efforts across departments, and make the decisions needed to keep the organization running. In this capacity, the leadership group typically focuses on necessary tactical decisions and temporary crises that must be solved.

In its “strategic” capacity, the leadership group spends time working on issues of long-term importance, including common policies, common direction, and organizational development and improvement initiatives. When the team works together strategically, they focus on issues that involve the long-term survival and/or growth of the business, as well as issues that will improve the day-to-day running of the business. Over time, these efforts work to reduce the number and severity of daily crises.



“Important” vs. “Urgent” Issues

Many leadership groups, particularly at the middle management level, become so caught up in the day-to-day issues of running a business that they leave very little time for dealing with strategic issues. Leadership teams often focus on the “urgent” issues facing the business, at the expense of working on the “important” issues that will improve day-to-day operations in the long run. In extreme cases, leadership groups become consumed by continually moving from one crisis to the next. The irony is that most leadership teams understand how dysfunctional this behavior is, and yet they can’t seem to break the cycle of constantly dealing with the temporary crises facing the business.



Adding Value as a Leadership Team

Secondly, many leadership groups do not add value to the organization *as a team*. That is, they don’t add value to the organization beyond what each member provides separately through the function they represent.

The value of leadership operating as a “team” versus a “staff” results from the synergy created through the combination of experience and talents of the individual members working together. Unfortunately, many leadership groups don’t make use of this synergy. Instead, they spend very little time working together (sharing information in staff meetings doesn’t count). These leadership teams rarely challenge themselves to answer the question, “What value do we add to the organization as a team?” They spend more time sharing information, approving actions, monitoring projects, and advising each other, rather than asking “How do we as a leadership team make a significant impact on the business *that won’t be accomplished by the normal functioning of the individual departments?*”

A Different Way of Operating as a Leadership Team

The following five-step process has helped leadership teams transform the way they operate so they add value as a “team” and focus on the important issues of the business and not just the “urgent” matters.

1. **Agree on the new role.** The leadership team should have a clearly stated vision, or purpose, that is understood by all team members. Note that this vision is not for the organization, but instead a vision for the role of the leadership team.
2. **Establish a team charter.** The leadership team must produce a written understanding of what they will spend time doing and what they will not (i.e., boundaries). This charter will clarify how much time will be spent on the tactical, “urgent” issues of the business, and how much time will be spent on the strategic, important issues.
3. **Set team goals.** *Periodically (e.g., every six months), the leadership team should set specific, measurable goals that are aligned and prioritized with the team’s vision. Note that these are not goals for the organization, but rather goals for the leadership team itself.*
4. **Work as a team to achieve these goals.** All members of the leadership team take responsibility for ensuring these goals are met and that the unique talents of the leadership team are used to their fullest extent.

- 5. Continually repeat the process.** After the periodic goals have been accomplished, the leadership team should celebrate its accomplishments, and then start the process again. They should set new specific, measurable goals that are aligned and prioritized with the team's purpose so that they become a permanent continuous improvement team that is constantly adding value to the organization.

An Example

The following is an example of how a leadership team applied the principles outlined above.

Team:

The leadership team consisted of four people (the leader and three department heads) in one of the biggest divisions in the information technology division of a statewide higher education organization.

Situation:

Although this division was fairly well run, it nevertheless had many opportunities to improve customer relationships, management systems, and operational efficiencies. The members of this team were each consumed by endless meetings, unexpected crises, cancelled leadership team meetings, and very little or no scheduled time to deal with the long-term patterns that were creating the various daily problems that they faced.

Goal:

The team committed to the goal of transforming the way it operated, to add value as a team, and to learn how to focus on the "important" issues of the business, and not just the "urgent" issues.

Method:

The team agreed to set aside a half-day block of time each month to operate as a team on "important," rather than "urgent" items. For the first few sessions they used an outside facilitator to help them stay "on task" and to help institutionalize this new discipline. In addition, each member of the team committed to set aside at least three hours each week to work on strategic issues in their own individual departments.

Initial Focus

The leadership team posed the following question: "What could we do as a leadership team that, if accomplished in the next six months, would make the biggest positive impact on our lives and those of our stakeholders?" Within this context, the team brainstormed and then prioritized major goals they wanted to accomplish as a team over the next six-months. Note that these were not goals delegated to others in the organization, but instead were goals that the team itself would work toward achieving. The team attacked these goals together and met for a half-day each month to monitor progress and make adjustments in the course of action.

Outcome:

Within six months, the team substantially accomplished three of the four they had set, and was able to report moderate progress on the fourth. And further, toward the end of the six-month period, the team was already holding sessions to cascade this process to the next lower level of the organization.

Within six months, an independent observer could point to several achievements from this group. Foremost, however, was the fact that the leadership team was performing beyond its staff function; they were beginning to add value to the organization as a team, and they were now dealing with the “important” issues facing the business on a regularly scheduled basis.

Benefits of Operating as a Team

Organizations derive many benefits when their leadership teams transform the way they operate by focusing on adding value as a team, rather than simply operating as staff. If this process is followed, the leadership team as well as the organization itself will observe many benefits, including:

- The leadership team is better organized, has more engaging and productive meetings, and has a greater impact on the business.
- The leadership team acts as a cohesive team, not just as staff.
- Noteworthy improvements in the organization take place.
- The leadership team experiences a greater sense of efficacy and satisfaction, rather than frustration from dealing only with the day-to-day issues.
- The leadership team serves as a model to other teams in the organization.
- Over time, the organization faces fewer daily crises; the frequency of “firefighting” diminishes.

Click here to access our [Leadership Team Checklist](#) which provides the necessary guidelines to successfully operate as a leadership team.