

Epilogue

Five acid tests of collective leadership

A few years ago, I was invited to talk to a newly created corporate team in one of the top 10 pharmaceutical companies. In fact, it wasn't totally new. It had been created a few months before as an amalgamation of some functions. But it felt pretty new to the rest of the company, since not many people seemed to know what that group was about. It didn't help that it had been created in the way the top leader of the organization - let's call him Joe - liked to create things: launching the concept and leaving the rest of the mortals to figure out what it meant in practical terms.

After a few months of soul-searching, dozens of brainstorming sessions and the production of new business cards, the team reached the climax represented by the existence of a mission and vision statements. And I, as an external organizational consultant, was the one to receive the good news at the next meeting. I was supposed to comment and advise on the development of the small management team. The presentation followed the standard PowerPoint attack. It was pleasant, passionate, potent and predictable. Particularly the latter, since the mission statement was undistinguishable from any other mission statement of any other corporate group I knew.

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Initially, I upset them a lot - and I still regret it today - by suggesting that if a secretary had mistakenly changed the title of the team and written next door's division instead, the mission would still hold. What surely proved that the mission didn't say anything about the uniqueness of the team.

Once we had de-dramatized the situation (allowed ourselves some non-threatening laughs), I revealed to them the risky strategy of 'going back to basics'. I asked them whether they could answer a simple question, as a team: "*Why are you here?*" Of course they could, no problem. To help the corporation to be successful. To improve shareholder value. To support the development of new products. And a dozen or so more reasons. "*May I give you my thoughts?*" I said. "*I think you are here because Joe said so.*" By that time, we were all used to some laughs together and we developed the rest of the day with more plain English and less maximization of shareholder value. That was the good news. The bad news was they had to go way back to zero base.

There are many groups like this in corporations, more than you may think. They are not teams; they are groupings, juxtapositions of individuals who have landed together through the design of an organizational structure, the commonality of a task, the membership of a project or the far more prosaic reason of all: the fact that they are all direct reports of somebody. The first task of such groups is to recognize that they may not be a team yet. They will probably progress towards constituting one. That progression may be fast or slow, smooth or bumpy, exciting or forgettable.

In the case of leadership teams of any sort - whether corporate or divisional, business or NGOs, private or public - they are

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probably going to be rather visible. At some point in their life cycle, others are going to make judgements: are they a good team, or a bad team, or not a team at all?

People are going to make such judgements based upon a few facts and lots of perceptions. That's life. The management team may have reached some maturity after some time, they may function reasonably well, they may be successful, efficient, respected. Their output may be very visible in terms of decisions, resource allocations, communications to employees, roll-outs of business plans, review processes, pristine performance appraisals. Not bad. Is this quasi-perfect machinery a good representation of collective leadership? Not necessarily. A bicycle is perfect machinery. They may be proficient bike riders. The issue is whether they should be Ferrari drivers.

► *The leadership tipping point*

A good leadership team - a blessing in its own right for the organization - is not a true leadership team until they reach a tipping point at which the efficiency of the machinery becomes a pass, a baseline. At some point, some leadership teams throw away the bikes and start looking for the real thing. For whatever mechanism (or combination of mechanisms) they have, they reach a higher level of complexity at which the bike riders are able to see possibilities they could not see before.

There is a wealth of ideas on how teams at the top progress, how they become dysfunctional or high performance, how they excel or die. If you work in any organization today -

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unless you have been on secondment to Mars for a while - you will probably have come across a model of some sort that explains how teams become good, or great or super-great. You may work in a corporation where there are declared values and beliefs, officially desired qualities of leadership or even a formal internal leadership development programme. The repertoire of desired characteristics of management teams - or the top leadership team in your organization - may read something like this (I have copied, pasted and edited one of multiple 'models'):

“We profess participative leadership by creating an interdependence by empowering, freeing up and serving others. We believe in shared responsibility; that is, establishing an environment in which all team members feel responsibility for the performance team as the manager. We are aligned on the purpose why the team exists and the function it serves. We profess high communication by creating a climate of trust and open, honest communication. We are future-focused: we see change as an opportunity for growth. We are focused on task; we keep meetings and interactions focused on results. We support individual talents and creativity. We are action-driven; we profess rapid response by identifying and acting on opportunities.”

Oh boy, that sounds good. However, how do I know that a particular high performance leadership team - which is possibly doing well in most of the above (in whatever forms of specific translation to the needs of a particular organization) - has truly reached a level of leadership, Ferrari-style? Or, same question in a different way: how do I know whether they have only sophisticated the bike or whether they are riding the real thing? In the past, many people have asked

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me which organizational model I use, which leadership development framework I follow, what management theory or what leadership tribe I belong to. Or simply, at which point am I willing to crown a group a leadership team? Let me share the answer with you: I have five acid tests, which form my very sophisticated score system. You are allowed to fail one test out of five.

1. The ex-directory test

Without referring to the intranet, the internal telephone book or that HR binder on the shelf, could you name the members of that leadership team? For years, I have been bemused by the lack of recognition of names of a given leadership team by sometimes no more than two or three levels below the members. In the case of a big multinational – with classical multi-sites - I consulted for, a rather senior person-cum-big-salary could not name the composition of her boss' boss leadership team, which was the top divisional leadership one. I then discovered that this was not uncommon at middle management level. They used to explain the phenomenon with arguments such as “*They change all the time*” (which in that case was certainly not the case) or “*Well, I don't see them, they are across the Atlantic*”, etc. It is impossible for me to accept (hence my acid test) that a leadership team can not be named by people, but still be a good leadership team. I do not necessarily blame the ones who can't tell (although it is a bit pathetic), but the leadership team itself. They may be at the top, but with lots of cloud cover. It tends to indicate that they have not come down from their mountain that often.

OK, I'll give you a clue here. I said you could fail one test, but didn't say which one. Well, this is the only one you can fail because it relies on external validation. And I am willing to concede that occasionally the entire organization may be blind! However, the next remaining four tests are non-negotiable; they have to do with internal dynamics of the team. You fail one of those and I won't give you the leadership Ferrari label, no matter how many bikes you have in store.

2. The 'can-I-help-you' test.

True leadership team members systematically practice a spontaneous "*Can I help you?*" with the rest of the members. Some people may experience problems, a crisis, a sudden resource constraint and others jump spontaneously, "*How can I help you?*" Why am I making a fuss of this, to the point of elevating it to the category of acid test? The majority of leadership teams - particularly at top level in any organization of some size - are composed by functional representation. The team is very often composed of the directors of function A, B, C, D, plus, perhaps, the HR, Finance and IT directors (often called 'support functions'). They all have their worries, their constraints, their shops to look after. By definition, they are also very different in their functional expertise. Common wisdom says that the Finance director, for example, is unlikely to be able to 'help' the Director of, say, Regulatory Affairs or Engineering in R&D. This is so embedded in the system that even in high performance super-bike teams it would be simply unexpected. Which prompts the finance director to switch off in terms of 'jumping to help', creating a self-fulfilling prophecy. However, there are lots of areas where intelligent senior

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people can help each other regardless the functional expertise. If spontaneous “*can I help you?*” dynamics are not present beyond the excuse “*but I don’t know anything about that*”, you don’t pass my test. I know that this may not necessarily have an impact on your sleep pattern, but well ... that’s your prerogative.

3. The commons test

The well-known ‘Tragedy of the commons’ metaphor – which I also referred to in the ‘How you do it’ face - tells us that if all the herdsmen bringing cattle to the common pasture (‘the commons’) do so in their own interest - maximizing the utility (for them individually) of adding one more and one more - then at some point there will be no pasture left for anybody. Actually, it is in each of the herdsmen’s best interest to refrain from adding cattle. “*If not*”, the author says, “*therein is the tragedy: each man is locked into a system that compels him to increase his herd without limit, in a world that is limited. Ruin is the destination toward which all men rush, each pursuing his own best interest in a society that believes in the freedom of the commons. Freedom of the commons brings ruin to all*”. Amen.

In a sense, a top leadership team is managing their ‘commons’; that is, a finite set of resources. My acid test is passed if the members of the leadership team - probably representing different lines or functions - have a ‘commons’ approach and would spontaneously share, for example, headcount, even if transitorily. The keyword here is *spontaneously*. They do not need the dictation from the top boss. It is the way they do things: my commons are your commons.

4. The 'one hat' test

Very early in the progression of the maturity curve of the team, the issue of what hat to wear would have come up. In a pre-leadership stage, members wear one hat only: their own (i.e. the one reflecting whatever the job description says they have to represent). After all, that is why and how they got there in the first place. Very soon, people will be confronted with the idea of wearing another hat as well: the team hat. So, now, they have two hats: the functional one (as in the job description) and the leadership team one. This is not bad. There will probably be the usual explicit or implicit discussions about which one is bigger or more important and they may even settle for a courageous 50/50. But this is still good bike riding leadership. Members of a true leadership team that passes my acid test wear only one hat, and that is the leadership team one. And that hat includes everything else.

So the progression is one hat, two hats, and back to one hat again. Their functional and managerial responsibilities are a given, a baseline (hat one). The double hat (functional + leadership team) represents a good stage of development; one that many so-called leadership teams fail to achieve. But it's a good stage. However, the next step is a back-to-one-hat-leadership, where members of the team elevate themselves above their functional role and above the dual-hat-functioning-well-team to...well, to just lead the organization! Outside the team meeting, for example, they will wear whatever hat their payslip says they wear, but in the leadership team - acid test passed - there is only one hat to wear.

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The secondary or surrogate acid test is whether they have created some (at least initial) *confusion* in the troops by presenting or communicating on topics that are not their area of expertise. No confusion, bad. Confusion: that's good. Because people do not expect a Finance Director to present the new pipeline (on behalf of the leadership team) or a Government Affairs director presenting the overall budget.

5. The absent seat test

If one of the leadership team members is suddenly called upon to lead an urgent all-time-consuming project; or if the top leader needs to manage a corporate crisis which will take him 'away' for a while; one thing happens in a true leadership team passing my last acid test. There is an immediate *spontaneous* temporary reallocation of responsibilities making the 'absence' very invisible. The team is de facto functioning as true leadership team with one or more fewer members, but with no damage. Particularly important: when the man at the top can disappear for periods at a time and the leadership team behind him continues as normal - with the necessary adjustments but in full blown action mode - then you can say that true leadership is there. It is not a question of pushing the envelop by suggesting that the top leader should be made redundant as the ultimate test. Because I actually don't buy this. But the invisibility and inconsequential nature of the absence is a key sign of collective leadership.

You could try these acid tests with your own leadership team and see what happens. If your answer is, "*We are here because we report to Joe*"... well, on your bike until you find the Ferrari dealer.

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This book has mainly focused on the individual aspects of leadership. Only in this epilogue have I begun to address the collective leadership: starting with acid tests but without discussing how to get there. Well, I guess that's for our next conversation.

Thanks for reaching this point with me. One last thing to say: keep moving!