

# CEO Excellence

Tags: [#team-leadership](#)

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## Dialogue

The analogy of trees -- they look like they are competing, but they are not.

## Staff for Aptitude and Attitude

One aptitude virtually all of the best CEOs look for is the ability to balance the short and long term.

## Act Fast but Fair

Effective CEOs act fast, but fair. 4 key questions.

## Stay Connected While Keeping Distance

- Skip level meetings are very common. Westpac CEO Gail Kelly's examples:

Westpac's Gail Kelly describes how she connected with individual team members: "I would ring all of my team at least once a week, most likely later in the afternoons or very early mornings, on the way home or the way to work. I'd encourage them to ring me, too. I built a relationship where their first thought when I'd call wasn't, 'What does she want?' but rather 'It's going to be a chat.' My tack was 'I've noticed this . . .' or 'I'm a bit concerned about what I'm seeing here . . .' or 'By the way, I've heard this.' But it may also be, 'Tell me about,' or, 'What's on your mind,' or, 'Gosh, that's exciting.' My job was to make people be the best that they can be. To do that, I needed to know them, to understand their vulnerabilities, their weaknesses, what they were worrying about."

- There's a distinction between being friendly and making friends.

When it comes to conversations with individual team members about their performance, the best CEOs, in the words of Dupont's Ed Breen, "Grade behaviors first—and after that, grade results."

## Build a Coalition Beyond the Immediate Team

Intuit's CEO on allowing folks to listen in on top management meetings.

## Do Work That Only the Team Can Do

The law of triviality

Define the First Team Norms

## Reserve

Act fast but fair questions:

- Does the team member know exactly what's expected of them: i.e., what the agenda is and what jobs need to be done to drive that agenda?
- Have they been given the needed tools and resources, and a chance to build the necessary skills and confidence to use them effectively?
- Are they surrounded by others (including the CEO) who are aligned on a common direction and who display the desired mindsets and behaviors?
- Is it clear what the consequences are if they don't get on board and deliver?

## Quotes

The best, however, think less about what the team does together, and more about how the team works together. They obsess with solving for the team's psychology and let the mechanics of coordination and execution follow.

One aptitude virtually all of the best CEOs look for is the ability to balance the short and long term. GM's Mary Barra explains, "At first, I thought, 'Just let that person go sell, sell, sell, sell. And that's fine.' Up to a certain level, that's OK. I've come to the conclusion that for the most senior positions, you have to have a person who can execute and drive the results today, but they also have to be looking over the horizon and planning for the future."

Before removing someone from the team, the best CEOs make sure that the following questions can be answered in the affirmative:

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Some of the best CEOs create a broader leadership coalition by letting employees a level or two down listen in on selected top team sessions. Brad Smith made this the norm at Intuit: "I broad- cast my staff meeting with my twelve direct reports to the top 400 leaders in the company. The 400 would dial in and hear us go through the agenda together, listen to the questions I was asking, and understand the principles we used to make a decision. It began to accelerate our velocity. Everyone learned how to make the right decisions on their own."

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When it comes to putting together a team, the best CEOs look for leaders who aren't just interested in being all-stars, but also want and have the skills to build an all-star team. They then put the conditions in place for each team member to be successful, while maintaining enough distance to objectively judge and act on their performance. They also proactively engage leaders beyond their immediate team.

Once there's clarity on what topics team time will be spent on, the next step is to gain the same degree of clarity on how those topics will be tackled, which starts by establishing the mindset that the top team is every member's "first team." The best CEOs are unequivocal on this issue. This means that everyone is expected to put the company's needs ahead of those of the business unit's or function's. Said another way, the mindset of a top team member is not: "I'm on the team to represent my function or business," but "I'm on the team so I can represent the company to my function or business.”

Virtually every CEO we spoke to reported similar experiences with team building. When Westpac's Gail Kelly decided to bring her team together for their first two-day off-site, many eyes rolled when she announced that they'd have a facilitator work with the group on "team dynamics." Kelly would have none of it, however, as she knew what was needed. "There were sessions where people got to speak about what made them tick, what made them anxious. I did it, too," she recalls. "I'm prepared to be very vulnerable, and asked others to do the same. We developed a little book called The Story of Us, and each one of us had a page about what strengths we had, and what things we are working on. What's our personal vision? Not just the vision for the company, but what's your own vision? What really drives you as an individual? It really helped build trust.”

A common analogy is that managers are thermometers, and leaders are thermostats. Managers react to their environment, deal with the here and now, and measure and report results. Leaders influence their environment. They alter people's beliefs and expectations. They cause action, they don't just measure it. They are continually working toward a goal. When it comes to teamwork, the best CEOs are without question thermostats.

## References