

# Building Horizontal, High-Performance



Howard Guttman

BY HOWARD M. GUTTMAN

*Peel away all the difficulties of running global teams, and one stands out above the others: Most global teams adhere; they don't cohere.*

Think about the typical global team, with its far-flung operations; patchwork quilt of cultures; different time zones, country, or region-specific challenges; unique processes; and market demands. It's fertile ground for silos, misunderstandings, and conflict. It's not the stuff of *e pluribus unum* camaraderie.

It takes leadership to build a high-performing, mission-focused global team. It may sound forehead-slappingly obvious, but many leaders either underestimate or just don't get the unique challenges in dealing with all the centrifugal forces at play on a global team.

Take the CEO and senior team of a \$25 billion consumer products company with operations on five continents. The leader was a command-and-control executive whose senior team was siloed and riven with underground conflict. Different regions were treated like walled city states, accessible only to the country director. The compensation system reinforced the go-it-alone mentality, with zero incentive to think enterprisewide. There were no ground rules for decision making on or below the top team and no process for escalating unresolved issues up to the next tier.

When you're dealing globally, challenges come quickly and evolve over many time zones in the blink of an email. The consumer products company's senior team just wasn't up to meeting the challenges. Not surprisingly, business spiraled downward as more nimble competitors, with a unified management team, began eating away at the company's market share. To date, nothing has been done to address the situation.

Ultimately, it starts with the leader and, in the case of this leader, he didn't have what it takes to shift his team and organization to a more horizontal approach, with everyone playing for the enterprise.

## HIGH-PERFORMANCE LEADERSHIP IN ACTION

There are leaders who get it. Consider the case of Mars Incorporated's pet care business, its largest unit, which, according to analysts, is a \$14 billion business, with 35 brands, 34,000 associates in 50 countries, and a range of different businesses. When Todd Lachman assumed as president global responsibility for the unit, he faced the usual global challenges, with a few add-ons to test his mettle.

# Global Teams

Lachman's leadership team is scattered throughout the world. Corporate headquarters are located in Brussels, and Lachman himself is based in New Jersey. Adding to the complexity, Lachman's team meets formally only four times a year.

The team he inherited performed well but he wanted performance taken to the next level. Leading 16 high-powered, successful senior executives, both line and staff, who run operations in the U.S., Russia, Latin America, Asia Pacific, and elsewhere, and who in some cases run very different businesses, is no cakewalk. Lachman's challenge was to build a cohesive, high-performing team that scored big wins and worked for the enterprise, not just for functional interest.

Whether a team is global or in a single country, changing team dynamics begins with the leader and his or her willingness to articulate a vision of how the team should operate. In Lachman's case, he put forth a compelling picture of a global team that was aligned around a common high-performing team vision; worked together horizontally rather than hierarchically; operated interdependently rather than independently; was focused enterprisewide, not functionally; was willing to assume accountability for the team's results and those of the entire organization; and openly discussed conflict in a nonpersonalized manner.

Moving his team forward was a tall order and Lachman knew that neither "rah rah" nor a big stick would work to engage his team. Instead, he created a burning platform to drive home the importance and urgency for the change: Given savage competitive pressures in the worldwide pet care segment, he wanted to go beyond business as usual and move quickly from good to great. Nothing less than a steep change was required in how the team showed up and performed.

Next, Lachman engaged his team to create "our" vision and shift the culture and team behaviors to the high-performance, horizontal model he had articulated. To do so, Lachman took his team through a series of three alignment sessions, which my colleagues and I were called upon to facilitate. Data collected from team members revealed the gaps that existed between the high-performance vision and reality. For example, roles and responsibilities were fuzzy, especially the points of intersection between global and regional responsibilities; basic decision-making ground rules needed to be put in place to move more quickly and with less "noise"; and dealing openly with conflict had to be addressed.

The alignment sessions raised questions that went right to the heart of the matter: What's not working, why, and how can we fix it? How do we align around a common strategy, vision, and



Todd Lachman, president of Mars Petcare, at home in New Jersey with his dog, Francis.

PHOTOS: COURTESY OF MARS PETCARE



Mars Petcare products on display in a Russian grocery store.

way of working? How do we operate more as a board of directors and take an enterprise view of the business? How do we move from a siloed mentality to one of greater interdependency? How do we confront issues head-on and resolve them quickly and effectively? How do we clarify the roles and responsibilities not only of the team but of the subteams throughout the regions? How do we engage in conflict in a way that's depersonalized? And one of the toughest questions: How do we have the right authentic conversations in real time during—and between—meetings? It was an ambitious agenda.

## THE RESULTS

As the process unfolded, the team gained clarity and commitment to the high-performance, horizontal vision that Lachman had initially laid out and to the

strategy and specific business deliverables that flowed from them. Roles and accountabilities were agreed upon, along with protocols for making decisions and how team members would engage one another. The team became less wary and worked to achieve greater transparency and a positive approach to resolving the inevitable conflicts that emerge on a global team.

Playing horizontally rather than top-down and functionally is something of an unnatural act, especially on global teams. Beyond the alignment sessions, team members, including Lachman, received coaching and were skilled up in a variety of areas, such as conflict management and shifting to new ways of leading a global enterprise. But, as Lachman points out, more important than these “structural interventions” is the more dynamic learning that comes “when we work together as a team, coach one another, and provide feedback to each other in the moment.” Performance reviews with team members became learning and reinforcement opportunities. During such sessions, says Lachman, “we talk about how they operate as a high-performance leader just as much as we talk about the actual performance of the function or business.” The next tiers down were engaged in a similar process. Observes Lachman, “High-performing, horizontal behaviors must be thought about 24/7. This way, it becomes baked into the muscle memory of the organization.”

Results speak for themselves. The pet care team transformed the way it operates. Performance accelerated and bottom-line results exceeded expectations, as the team more effectively leveraged its resources across the global platform. There's greater interdependence and collaboration, a decrease in decision hang time, and less unconstructive conflict.

## BUILDING HIGH-PERFORMANCE GLOBAL TEAMS: WHAT'S INVOLVED?

Building cohesive, high-performing teams that work horizontally does not come about by chance. The centrifugal forces are too many and too intense. In our research and work with many global teams, here are what we have found to be the key factors enabling them to make the transition:

**Assertive leadership.** Leaders who fail on the global stage tend to be nonassertive. Better to lead with your chin by articulating a high-performance, horizontal vision. To function successfully,

global teams require a picture of what the end game is, of what they are aspiring to achieve. And the team must be tested for buy-in. For leaders on global teams, this involves something of a balancing act. Neither wimpy nor heavy-handed approaches to imposing vision work. Assertive leadership, as Lachman points out, “requires a leader to be vulnerable. He must articulate a high-performance vision and as the process unfolds concede leadership to the team, rather than being the all-powerful decision maker.”

**The burning platform.** Wrap the transition around a significant business issue. It becomes an energizing principle for enrolling others and in so doing coaxes team members to address the deeper issues related to how they and their colleagues view themselves, their roles and relationships, how work gets done, and what it means to be a contributor. A burning platform converts the challenge into a business case for radically and permanently changing the organization and those who work for it.

**The right players.** You need to assemble a team of the best and brightest, with both strategic and operational savvy, high emotional intelligence, and willingness to function in a horizontal, demanding environment.

**Team alignment.** Engage the team in coming to grips with the tough performance questions, similar to the ones Lachman raised, and go where the team previously feared to tread. At the end of the process there should be tight alignment in eight areas:

- ▶ **Vision/strategy.** Is there deep understanding of and commitment to how the team will perform and act? Is there clarity and commitment to the future direction of the business: the competitive advantage; key product/market choices; the capabilities needed; and the longer-term growth and financial expectations?
- ▶ **Business deliverables.** How can the team ensure that the day-to-day work of the team is supportive of the strategy and goals? One incoming president of a major division of a global enterprise called together his senior team for the first time and asked them how many projects they had: 475 projects were under way. His response: “Here are seven goals that will be driving the company and ensuring our alignment with corporate goals. How many of the 475 have anything to do with these seven goals?” Turned out, only 33 of the 475 projects were in alignment with the goals. The CEO responded, “Reassess the 442 nonstrategic projects!”
- ▶ **Roles and responsibilities.** The dreaded question “Whose job is it, anyhow?” tends to get raised on global teams with disturbing frequency because there is often overlap and lack of

## HIGH-PERFORMANCE TEAMS Eight Key Attributes

1. The mission, goals, and business priorities of the team are clear to all team members.
2. The team is comprised of the “right” players. This implies that they are technically/functionally competent, with the ability and willingness to influence across functional lines.
3. The roles, points of intersection, and “turf” are clear to all team members regarding every player on the team.
4. Team members are committed to the team “winning”—achieving business goals—over their own parochial/functional self-interest.
5. The decision-making process that the team employs is understood and accepted by all team members.
6. Every team member feels a sense of ownership and accountability for the business results that the team creates. Consequently, team members feel that they have a license to speak on any matter concerning how the group functions. The team operates as a managing board of directors.
7. All team members are comfortable dealing with conflict in the team. Consequently, they are willing to be candid, able to depersonalize, and attempt to reach resolution on outstanding team issues.
8. The team has a willingness to periodically self-assess its progress as a group, focusing on how the team functions as a total group. This includes assessing the business deliverables, individual commitments, and relevant protocols.

role clarity. Unless you are crystal clear on the answer, count on turf battles and your organization becoming a house divided.

- ▶ **Protocols.** There is often major confusion, especially on global teams, as to who will make decisions and how they will make them. One way to avoid this is to develop and agree upon protocols for decision making. For example, how will important decisions be made: unilaterally, collaboratively, or by consensus? Who will be consulted for information? For opinions? Who will make the final decision? And who will execute the decision? Protocols for resolving conflicts, such as those dealing with triangulation, must also be agreed upon.
- ▶ **Business Relationships.** Global teams are at a disadvantage when it comes to aligning interpersonal relationships. Face time is a scarce commodity. One initial approach we find useful in aligning business relationships is to ask teams to take these steps:
  - ▶ Ask team members to assess one another's behavior style
  - ▶ Ask them to think about ways in which they can moderate their own behavior—moving from nonassertive or aggressive to assertive
  - ▶ Have each person “contract” with fellow team members to acquire the skills and make the behavior changes that will facilitate conflict resolution

Warning: Don't try this exercise without an experienced facilitator!

- ▶ **Coaching and skills.** Team and individual coaching are essential, as are skill mastery in leadership, conflict management, influencing, and active listening.
- ▶ **Playing for real.** This translates into making high-performance, horizontal behavior a “must,” not just a want; making such behavior part of the performance review, advancement and reward process; having the leader and team role-model expected behavior, and holding everyone, including the leader, accountable.
- ▶ **Dealing with deadwood.** Coach team members that need support, skill them, and if all else fails, bid them farewell.

Building cohesive and effective global teams with the muscle to perform is one of the great, if not *the* greatest challenge facing today's executives. The executives we know who are winning on the global stage are doing so by using the high-performing, horizontal model and then aligning their team around it to counteract the centrifugal forces that, left unchecked, sap global teams of their vitality and ability to compete now and well into the future. <sup>MW</sup>

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