

Senior Team Effectiveness Model

Determining which direction to take your company in is one thing; knowing how to get there is another.



What Great Senior Teams Do

Most discussions about executive team effectiveness typically focus on the ideal mix of personal characteristics or “stages” of team development that need to be accomplished before the team can be classified as high performing.

RHR took a different approach. We compared and contrasted high-performing and low-performing executive teams and then looked at what they did, how often they did it, and which indicators of organizational performance were impacted as a result.

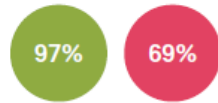
Using RHR's STE Survey™ (Senior Team Effectiveness Survey), data was collected from 200 senior team members predominately from companies with annual revenues of \$2 billion and the following six success factors were isolated.



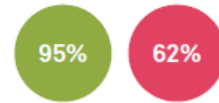
1. Agile Design

High-performing teams (HPT) are comprised of the right talent mix given the company's strategy—and roles and lines of decision-making authority are clear within and across top teams. HPTs are also designed for agility, expertly utilizing ad hoc groups and teams to solve cross-functional, enterprise problems resulting in faster, more efficient execution.

Structure of teams at the top is well designed to achieve the goals of the organization:



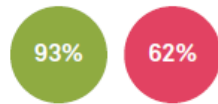
Team members have the right skills and experience:



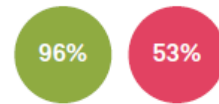
2. Disciplined Focus

Most senior teams struggle with focusing on what is most important—for the enterprises, functions, and/or business units they lead and for themselves as a team. For low-performing teams (LPT), the amount of time spent in a reactive, firefighting mode is almost double that of an HPT.

Highly effective at prioritizing the most important issues facing the organization:



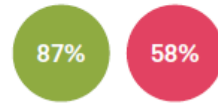
Focuses on the right issues at the right level:



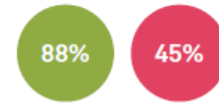
3. Efficient Decisions

Making high-quality decisions is the most important thing that senior teams do, since their decisions impact much of what gets attention, time, and money in the organization. An HPT not only makes informed decisions, but it also does so with the right inputs, staying at the appropriate level and balancing quality and speed to enable efficient action below it.

Effectively balances the need for speed with the need for additional data:



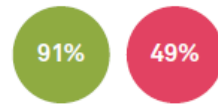
Decisions are made at the right level:



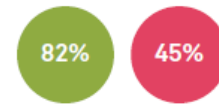
4. Connectivity and Balance

HPTs are not only disciplined in what they collectively focus on, but they also stay connected, adapt, and adjust to the external environment and to internal needs. These teams balance the often contradictory demands of efficiently leveraging core capabilities with driving innovation.

Adept at seeing ways to leverage organizational strengths:



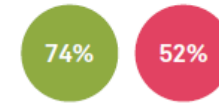
Drives innovation throughout the organization:



5. Collaborative Culture

Senior team members' values and behaviors shape those of the organization. When the level of candor, transparency, and trust are high within the top team, all levels of the organization are more apt to collaborate, unencumbered by unhealthy politics and bureaucracy that can paralyze execution.

Team members do not act deferentially to hierarchy and power:



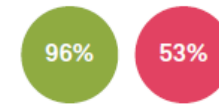
Conflict is handled openly, directly, and in a timely manner:



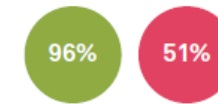
6. Real Results

HPTs know who their stakeholders are and how they will be evaluated, which enables them to exceed expectations. When members and leaders alike are committed to the shared success of the team, they contribute to the improved performance and wellbeing of the entire organization.

Consistently produces high-quality results for the organization:



The team's performance exceeds the expectations of relevant stakeholders:



KEY:

■ High-Performing Team (HPT) ■ Low-Performing Team (LPT)

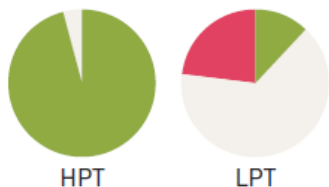


Methodology

Data collection was completed by Harris Interactive Service Bureau and consisted of two RHR International measures: The STE Survey and an eight-item survey of organizational performance relative to industry peers.

The final sample included individuals from 200 senior teams predominately from companies with \$2 billion or more in revenue. Teams from organizations ranking in the top third on a composite organizational performance variable were identified as an HPT.

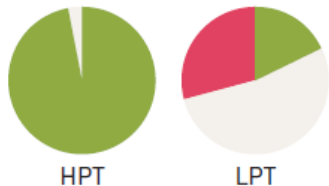
Profitability / ROA:



Sales / Revenue Growth:



Quality of products / services:



Employee engagement:



HPT = High-performing team
LPT = Low-performing team

About RHR International

RHR International LLP is an independent global leadership consulting firm whose mission is to unlock potential in leaders. Through its behavioral lens, RHR has worked side by side with CEOs, board directors, and senior executives for more than 70 years, helping them acquire the knowledge, wisdom, and skills necessary to achieve business results.

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