



GREAT LEADERSHIP FOR GREAT TEAMS

You are establishing a unique Professional Services firm out of Australia – you have the idea, the brand and are putting together a team of talented, focussed individuals with great potential.

What strategies and skills must you employ to make the most of this potential? What is the best way to lead a crop of great people?

By assembling a great team, you've already put yourself ahead of the game. Rather than jump-starting the company on your own, you'll have the easiest time, the most fun, and probably the most success by developing the team and letting the team develop the business. You just have to organize them and point them in the right direction.

Have you ever worked in a really high-functioning team? In great teams, each member brings their best to the party. They only do the things they're best at, and they do them superbly. The work gets divided to play to each person's strengths.

Identify your team's strengths

Get the team together and explore each other's backgrounds, expertise, likes, and dislikes. Match your discoveries to the work, so tasks go to whoever is most likely to finish them well and quickly.

Does a team member have contacts, industry experience, or experience in specific companies that will be valuable to the group? Put them on related tasks. Experience in a functional area or two can make a resident expert in those areas. Those with great people skills should be doing people work, while those who prefer to work behind the scenes can do research and build infrastructure.

Mental traits become great strengths when matched with the right challenge.

Don't limit yourself to obvious business strengths. Mental traits can be even more valuable over time: long-term thinking, short-term thinking, idea orientation, data orientation, comfort with stress, technological comfort, people skills, strategic thinking, ability to challenge assumptions. There are hundreds of ways to slice mental traits, but whatever your framework, know that mental traits become

great strengths when matched with the right challenge.

For example, some people prefer to follow established procedures. The business press worships "innovation," "disruption," and "destroying old paradigms." Well, guess what? "Out-of-the-box" disruption is great for occasional big conceptual leaps, but it's the established procedures that drive a successful business. And when boarding a plane, who really wants a disruptive, out-of-the-box pilot, anyway? Give me a pilot who loves completing their sixty-point safety checklist today with the same precision and care they used the first time they went through it.

A strength is nothing more - and nothing less - than a skill so well matched to a task that the results are stellar. Know your team's skills, and you can all begin turning those skills into strengths.

Use your team to hone direction

Once you have the right "who," the team can pool resources to choose the "what." You've chosen a business, and your team can hone the strategy and tactics you'll use to make it successful. In the book *Good to Great*, Jim Collins suggests that a team choose a single concept—your "hedgehog concept"—to unite the business. The hedgehog does only one thing: roll into an ironclad ball. But the strategy works so well that it's invincible on its own turf. Your hedgehog concept comes from a brew of your individual values, skills, competencies, and a healthy dose of business sense.

Passion

Rally your company around something you can be passionate about. If you're all deeply devoted to children, youngsters, and family, for goodness sake, don't concentrate on publishing HTML reference manuals. Publish books for teens, young adults, and families. Choose a strategy that unleashes your collective inspiration!

Being the best

Your hedgehog concept should be something at which you can be the best in the world. It doesn't mean you *are* the best, just that you can *become* the best. This can be trickier than it seems. Your team members and their skills will contribute to deciding where you can excel. Competition can also affect your choices. Even if you have the perfect team, existing players may have locked up areas of opportunity. If I were starting a grocery store, for instance, I'd be careful about hedgehog concepts that put me head-to-head with Wal-Mart. "Huge stores with great service" is a concept that's taken. Even a superb team probably couldn't be best in a world dominated by Wal-Mart.

Economic viability

Your hedgehog concept should make money. You should also be able to identify your economic drivers in the form of a measurable "profit-per-x." Often, the "x" is not obvious. For your strategy to make sense, you may choose a subtle "x." Collins relates the story of a company whose strategy was to cluster stores in one geographic area to be most convenient for customers. Rather than measuring profit per store, the company realized that profit per neighbourhood was the key to driving operations, compensation systems, and organizational learning in pursuit of convenience for their customers.

Monitor the commitments your team makes

As you begin implementing your strategy, pay close attention to the commitments you make. Commitments provide flexibility and focus, but can also bind you to a long-term course of action. Since your venture is quite young, you don't have a lot of operating knowledge to choose commitments wisely. So keep yourself as flexible as possible until you're fairly sure of your course of action.

Commitments come in all shapes and sizes, but some of the most powerful are the agreements you make on how to frame the world. Your beliefs about what customers want and how they behave, if propagated throughout your company, are a very powerful frame. Ken Olsen, founder of Digital Equipment Corporation, was famous for rejecting IBM's frame that computers meant room-sized boxes that were only useful to large corporations. He built DEC and revolutionized the industry by inventing the minicomputer. Unfortunately, he got caught in his frame of the minicomputer being The Answer. Oops. In the late 1990s, his once-leading company was acquired by upstart PC maker Compaq.

Supplier and distributor relationships can become commitments. Decisions to vertically integrate (or not) can become commitments. Deeply held cultural values can become commitments. Large capital expenditures can become commitments. One entrepreneur recently told me his company had perfected the ability to open a new market and quickly achieve a 25 percent-plus profit margin.

Unfortunately, while going up their learning curve, they built factories several times their optimal size. The company's survival is still touch-and-go - not because it's a bad business, but because early commitments have saddled the company with unproductive, expensive assets.

Become a leader, not a manager

Finally, spend regular time leading rather than managing. You've got a good team, and you've jointly chosen a direction. Now your job is keeping the company on track. Keep your team working well together, and make sure you're building a company where everyone plays to their strengths. Know your hedgehog concept, discuss it regularly, and make sure it guides the company's daily decisions. Spend time thinking strategically with your management team. Have them project the hedgehog concept out one, three, or five years into the future, and steer the company and its commitments towards that reality.

Know your team's skills, and you can all begin turning those skills into strengths.

Your job is creating an environment where *your employees* can do their best. Give them all the credit. Recognize and celebrate their accomplishments. When they screw up, lead an "after action review" to help them learn. Remember that you're building a culture that brings out and amplifies everyone's *strengths*, so use mistakes as an opportunity to re-examine the strengths of the team and change your tactics, your assumptions, or your organization.

For now, focus on getting your company off the ground. You've hired the crew; together you've charted the course – and as a suggestion print out the next page as your navigation guide of the 12 key cornerstones of a successful and dynamic start-up. And don't forget – you can't do it all yourself. So for all you entrepreneurial "buy & sell" creative folks, a good CEO/GM would not stray either – as your "Chief Implementer".

Now stand back and let them bring the dream to fruition.

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Your 12 Key Cornerstones of a sustainable dynamic Start-up

1. Strategic Management

The consistent patterns of behaviour of senior managers who are able to organise the relationships, resources, information and decision making powers of our organisation so we **CAN** plan, organise, direct and control the activities of all members in a strategically focused manner.

2. Shared Values (or Organisational Culture)

The personal, team and organization practices associated with the way things are commonly accomplished "around here" **IF** we choose actions that differentiate our organisation's internal environment from that of other corporations.

3. Structures

The rules, roles and regulations that establish lines of authority, power and influence over the allocation of resources that **MUST** be supplied to maintain the level of required organisational response to changing internal and external environments through standard and specified policies and procedures, meeting rules and organisational arrangements.

4. Stakeholders

The critical suppliers of resources and support who have a vested interest in the relationship between their personal investment of effort and **NOW** expect benefits derived from their continuing history of association with the organisation and/or share holdings that entitles them to some immediate assurance of a consequent payment, access or competitive advantage.

5. Staffing

The standard operating procedures which govern the sources and actions of people including executives, employees, associates, volunteers and operational personnel who **SHOULD** energise the organisation's capacity to deliver required activities upon demand through procedures such as recruitment, selection, training and ongoing development practices.

6. Skills

The capabilities and competencies that are used by our organisation's teams, business units and senior management that determine **HOW** to ensure that tasks, responsibilities and service requirements are consistently applied to the provision of a desired standard or quality of service.

7. Strategies

The vehicle or methods of approach to be taken to respond to pressures to ensure the success of our enterprise **WHICH** encourages risk taking, gaining specific advantages and winning a greater measure of internal, external and forward environmental control.

8. Suggestions

The sources of change and choice for our organisation so that we **MAY** act more creatively, deliberately and urgently to refine, rectify, construct, develop and transform or re-establish the degrees of freedom to both individuals and the corporation.

9. Solutions

The techniques, applications and functions that contribute to organisational learning, continuous improvement and innovation in business practices, production capacity and product development so that we could **THEN** be in a position to resolve conflicts, solve problems and provide viable and sustainable services.

10. Systems

The mechanisms, operations and process that maintain our organisation's ongoing survival and capacity to grow that ensures we **WILL** respond to our environment on a day-to-day basis by converting inputs to and from the internal and external environments to get significantly improved outcomes.

11. Shared Vision

The common point-of-view that shapes the way that all parts of our organisation focus their contributions to the overall purpose and intent **IF AND ONLY IF** we take into account future directions, potential and competitive pressures to build a holistic response to the environment and a point of reference from which to action this response.

12. Strategic Leadership

The acceptable source of inconsistency, paradigm challenges, rule breaking and role modelling of behaviours which **COULD** recognise and reward the search, struggle and striving for impressive, informed and inspirational organisational development.