



HIGHER

GROUND

How treasury and finance professionals can develop high-performing teams

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It is perhaps one of the fastest growing areas in corporate human development—how to create high performing teams. And, I stress the word human, because the keys to success nowadays have less to do with IQ smarts and competence/skills, and more to do with the ways in which individuals trust, engage, communicate and execute together.

Today, there are numerous assessments and tools that measure problem solving, critical thinking, decision-making, etc. Yet, I often meet leaders who tell me that they have assembled a dream team to lead the company or division. On paper, they may indeed have this: smart, experienced and proven executives, who have a raft of achievement and deep knowledge. Yet, the leader then shakes their head and says, “I don’t fully understand; everything is in place but we’re not working effectively as a team, and this is impacting our achievement as a company and indeed my role as a leader.”

The new leadership paradigm

In the past, leadership was easier. Change was more incremental, more evolving and a hierarchy supported a structured way to manage. The leader was relied upon to steer the vision or company towards the future, and the team members were executors according to their specific expertise. Mastering convention was a strategy.

The new world is more complex and nuanced, with data constantly changing. The reaction time is exponentially shorter. What has really upset the apple cart is that it is no longer acceptable for excellence and best practice to operate within a silo. In our symbiotic and highly connected world, those who succeed must collaborate between areas, divisions and departments in a dynamic and highly interactive way. And this means people must effectively interact with each other—differently.

KEY TAKEAWAYS:

- The keys to success today are the ways in which individuals trust, engage, communicate and execute together.
- It is no longer acceptable for excellence and best practice to operate within a silo.
- Successful leaders today define themselves through their skills to help others see what they see, by translating their intuition and judgment into a language that can move others.

The human strains from this are becoming increasingly evident and companies are not necessarily fully prepared to either recognize the problem and/or know what needs to be done.

A case example is a New York-based divisional head of an international financial institution, who leads about 1,000 people. He has a leadership team of 10 direct reports, all seasoned executives, who manage the financial operations of this North American division. Like most large global financial firms, they are under the federal spotlight in fulfilling both regulation and compliance obligations.

We have three complicating factors here:

1. These relatively new laws are subject to interpretation and judgment as to specifically how they apply to each financial institution.
2. This company is a local division of an international firm, which is also grappling with EU/UK regulations at the same time, in response to which they have a ‘global strategy’ being designed in parallel.
3. The leadership team, while highly talented and experienced, is made up of 50 percent legacy people and 50 percent brand new people to the organization.

The executive vice president sat down with me and sounded exasperated. “We have the best leadership talent in the country, and our depth of experience is truly world class. People are well treated and remunerated, and we are known for having a respectful culture. Yet, we are all, including me, working 12 to 16 hour days and weekends, are constantly in crisis mode, and seem to be consistently behind on the goals and deadlines we have committed to.”

A disjointed environment

After interviewing the team, it became clear that they were focused on their own functional areas. While the corporate culture had an expectation to cooperate and collaborate cross-functionally, it tended to be most effective only in a crisis, when risk of failure brought sudden engagement and decisiveness. Ongoing project teams seemed to be slow-moving with low levels of participation, engagement, and accountability.

The monthly leadership team meeting highlighted the greatest weakness of the team. It had a long and detailed agenda, and, in the haste to get through the myriad of topics, ended up being more of a report/update on each area. There was no opportunity for the team to operate together, to put down their functional hats and think strategically and more broadly about their impact on the 1,000 people below them.

Everyone thought they were giving their best, making the greatest impact on their area, and delivering best practice to the organization. Instead, their collective tunnel vision was in fact highly damaging to the organization. Intuitively, most folks knew something was not right and that their efforts were missing the mark. Blame became a feature, with a number of scapegoats highlighted—corporate management, the global project team, the workload, and the seemingly impossible task of satisfying the feds and regulators.

Amidst the pessimists, there were some smart leaders who stood out in saying “we get in our own way, we need to fix ourselves first, then we can look outside for things to blame.” The

leader was one of these. He had received feedback throughout his career that he was intuitive, smart and a tirelessly high achiever, and this in part had catapulted him career to senior status. He got things done. However, with this big role, he was experiencing the law of diminishing returns. His perfectionism was becoming a major consumer of time and energy for him, and his team.

His team in turn, while deeply respecting him, had transferred this perfectionism to their teams. The team was consumed by doing too much, without sharing, without collaborating, and not thinking strategically.

Yet his management team also bears responsibility. As aspiring executives, we are each measured for promotion after we have shown ourselves to already act like a leader at a higher level. In a sense this team had split off

into two camps, one which blamed the situation on factors outside of their control. The other recognized the weaknesses of the team, yet didn’t voice their concerns and help take ownership of the situation. Successful leaders today define themselves through their ability to help others see what they see, by translating their intuition and judgment into a language that can move others. They help others think for themselves and find a breakthrough.

Above all, this team had not found a way to work effectively together. They didn’t really know each other, understand or respect each other’s strengths, and didn’t know their individual motivations. Most interesting were the silver bullet solutions they proposed; “we need better role definition”, “we need more clarity on roles and responsibilities”,

“we need stronger rules on meeting deadlines,” etc. Indeed, most of the team was fixated on ‘rules’ as solutions, rather than people’s motivations.

Building a better team

When I got to know these individuals, they turned out to be big fans of sports, and were passionate believers in team excellence coming through trust between members. As a corporate team, this somehow got lost. Somehow the same rules didn’t apply. It was normal to leave key elements of their humanity at the door. One executive said it well, “I completely buy into the need to have a sports team bond, be open and vulnerable, ask each other for help, and know each other deeply in order to find that special feeling when this can become an unshakable strength. Yet I find it hard to grasp this in corporate America.”

Through a number of team development initiatives, the team found a way to open up and recognize who they had in the room with them. As a first step, we left ‘fix it’ solutions off the table and instead focused on recognizing the individual strengths, attributes, and motivations of each individual. Key to this was creating deep awareness of each person. During this process, something interesting happened—people wanted to speak more, ask more questions and step back from the detail and join dots without judgment. Awareness was allowing trust to take root and a voice could be found to represent this trust.

The team let go of the ‘what’ and ‘how’ and instead focused on the ‘why’. Why are we a team? Why do we need to succeed? Why is it important for our teams below us?

As the discussion progressed, the team agreed to take time to audit successes and failures. Some projects had been recognized as world class, yet there was no time or interest given to looking back at how this was achieved and the problems and opportunities that had to be overcome and harnessed along the way. There was much wisdom and learning right in front of this team, which they were choosing to ignore. They decided that this would be a catalyst for empowering their own teams to become curious, question the status quo, and ultimately become accountable.

Perhaps the greatest need and opportunity is how to institutionalize a change in mindset—one that frees up the individual to think out of the box, outside their safe zone, and get over the fear of not knowing, of being wrong, of screwing up. By engaging with the person rather than getting sucked into the topic, we break out of our foxholes and allow ourselves to be exposed in order to outperform.

As a leader, if you believe you have the right people on the team, then this is the big test—removing the cover and seeing how they can influence, collaborate, and definitively move the needle. It can be scary and unfamiliar, but one must not flinch—consistency is essential. Above all, people are moved by things, which they enjoy and are stimulated by. This sweet spot exists within every single team, if one can only make the time to uncover it.

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