The Challenge of New Leadership

WORKING WITH THE EXECUTIVE TEAM

Dan Ciampa

Coming into a job from outside the organization may be the toughest challenge for any senior manager. One study showed that 65 percent of designated successors hired from outside left their positions within five years without having been named CEO. Often it is a failure to grasp the culture and politics of the enterprise, rather than its product and market, that derails these fast-trackers.

Yet boards of directors increasingly are looking outside for successors to the senior executives. Most of the time, the top candidates are accomplished managers who expect to get CEO responsibility sooner by changing companies. One key to their success lies in the capabilities and support of the team the executive is expected to lead. It is the management team's day-to-day execution that will determine the pace of progress. And if employees perceive differences between the vision of the new leader and that of the manager who directs their work, they will understandably hesitate in their commitment to the new vision.

What to do? Although every situation is different, anyone contemplating or undertaking a senior-level move to another organization should try to answer four questions.

Are members of the top team in favor of the change you advocate?

Senior managers will welcome you as a leader if they believe you will solve the problems that frustrate them. In other cases, though, people withhold support from a new leader's initiatives because the new vision of the future is at odds with their own. This is especially true when the senior managers believe one of *them* should have been promoted, or when the changes being advocated threaten their authority.

If you are hired with a change mandate, you must find out if senior managers' image of the ideal organization (and there is always such an image) is consistent with your own. If the answer is no, your chances for early success will be slim—unless you change some minds (or some faces) among the senior team.

Do managers have the knowledge and skills to make the necessary changes?

Even if there is support for change, significant and quick progress will be elusive without the right knowledge and skills.

One COO found this out when he took over a well-known consumer-products company whose bottom line had not kept pace with its revenue. While marketing and sales innovations brought impressive top-line growth, outdated manufacturing and purchasing practices had perpetuated cost and quality problems. The more volume grew, the worse the inefficiencies became. The COO hired a new manufacturing head from the industry's leader. The COO (now CEO) later described that as "probably the most important move I made in my first year. He helped me set a new standard in operations for challenging the status quo."

Of course, senior staffing decisions are seldom easy. New leaders face high expectations, and with those come the pressure to make a dramatic move. It's important to assess those pressures—and to understand that if the decision is wrong, or handled badly, the consequences will last a long time.

Will senior managers deliver the support of the constituencies needed to implement change?

Having the support of members of the executive team is decisive only if they can influence people to embrace new ways of operating. A new leader must quickly learn the degree to which the subordinates of top managers will follow the direction of those managers. If they will, the leader's task is to direct that commitment toward necessary change. One way to gauge the support of the executive team is to use the first weeks on a new job to talk with people throughout the organization. Every new leader has a rare opportunity to explore the terrain, get unfiltered information, and observe the quality of managers' interactions with others. Those interactions can speak volumes about how managers are regarded.

As much as a new leader tries to be visible and accessible, she or he needs people on the management team to be ambassadors for new ideas and policies. One chief executive who has led four high-technology organizations in his career counsels other leaders to be sure that they and their managers are sending the same message to employees. His approach was to hold a series of off-site meetings starting as soon as he came on board. The CEO would offer his observations of the company, ask questions, encourage debate, and build consensus on the issues to be communicated. "I'd try to end each meeting with a decision on one priority, and I'd have someone write it up to make sure we had it in black and white," he says. "It takes time, but it worked."

and institutional interests at work in the organization.

A leader joining a company must recognize that there is another organization operating in parallel to the official one, that behind the structure, products, and systems are relationships, ambitions, and interests that are ignored at great peril. In your first months in an organization you must map the political currents by understanding who is most influential, how major decisions have been made in the past, who is most vested in the status quo, who is most admired. Only then can you build the alliances necessary to achieve results.

> *If the decision is wrong, or handled badly, the consequences will last a long time.*

What is the political situation you're walking into?

How do you know you will you get the support you need from the CEO and the board? Are relationships that are already established likely to be positive or negative forces? Most new leaders who stumble do so not because they are poor decision makers or lack relevant functional expertise but because they mismanage the personal

Lessons for Success

What principles can be drawn from experience in answering these four key questions? First, a leader new to an organization has to decide quickly—generally within six months—the makeup of the top team. Answers to the first three questions should help.

Second, learning about the new organization's culture and politics

should begin even before day one. (The executive recruiter is often a valuable source of insight; a resourceful leader should also be able to gather intelligence and check reputations.) Usually the first 90 days are taken up with learning products, markets, people, facilities, and processes. Those most successful at leadership transition use the second 90 days to better understand the organization's less obvious aspects.

Most executives have mastered their functional or technical discipline. Many have the ability to articulate a vision of the future and formulate a compelling strategy for getting there. But, especially when new in a leadership position, they find that success depends on others. Without a management team willing to support change—or at least willing to be persuaded of the need for change—one's most valiant efforts are likely to fall short.

Dan Ciampa is an adviser to leaders, particularly during their leadership transitions. From 1985 to 1996 he was chairman and CEO of management consulting firm Rath & Strong. He is coauthor of "Right from the Start: Taking Charge in a New Leadership Role."

The New Poverty

Jacob Needleman

What is the scarcest resource in organizations and in life? For most of us, it is time. We have been inventing time-saving devices for 150 years, and the result is that free time has disappeared. For almost everybody, including children, ours is a time-poor society. We've been swallowed by anxiety about the future and by regret about the past. We're hungering not just for *more* time, but for meaningful time. It is the new poverty, a kind of famine.

We have come to believe that fixing problems, making things happen, and being busy are signs of success. If only we could *do* more we could *be* more. That desperate belief has created a small industry in "time management." But time management is part of the problem, not the solution. It encourages us to react more quickly to daily events but does little to relieve our desperation about time. Already, we react too often and stop to think too rarely.

We've lost the understanding of how to be fully in the present moment. Yes, that's become a New Age cliché—"be here now"—but if, in fact, you are fully aware of yourself in the moment, the capacity to pay appropriate attention to things as they come will follow. And paying attention to what matters most, then wisely using the precious resource of time, is a test of leadership.

To give oneself to the present moment involves a capacity of the mind to disengage from the crush of the outside world. One of the great CEOs of the ancient world, Emperor Marcus Aurelius, described that as the most important skill one could master—to be able to step back in the midst of life and be a free observer of the situation.