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Spreading A New Mindset Of Leadership

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Real leadership means creating the future, but who has the time? Senior management has to manage the business for profit, yet decision-making for day-to-day stability can stifle new ideas and development. Many companies, particularly in professional services, have deep expertise beyond the management group, but these staff are often excluded from innovation teams and become more accustomed to taking orders than breaking molds. Creativity and job enthusiasm suffer, and a critical need goes unaddressed. How to disrupt the stagnation and tap into this huge capacity?



Cross-functional teams spread opportunities for leadership throughout the company. GETTY

The common solution is to rely on strategic planning. This is essential, but only goes so far, setting out an overall road map but not filling in the detail of how to get there. It gives management a chance to feel they are leading the Forbes

charge and will discuss with the teams so they have a "voice." But it often has a top-down feel, which for staff can mean a requirement rather than an opportunity.

Cascading Opportunity

Companies must encourage the participation of all employees in crossfunctional teams tackling issues and openings identified through strategic planning. This means continuing the process and spreading opportunities for leadership throughout the company. It cascades opportunity for innovation through the ranks, unleashes energy and interest from the broader team and contributes to staff engagement and retention, while developing vital fresh thinking and new ideas.

"We call them our Compass Groups – compass as in helping us find our true north— and they have been a game-changer," says Scott Clein, president of Giffels Webster, the Detroit-based civil engineering and community planning firm which employs 100 people in three Michigan locations. "It's been a journey for us, from really trying to listen, to finding ways to get staff involved, to extending the whole concept of leadership and what that means. Where management is about financials and project delivery, leadership is about people and growth and opportunities. It's a whole different mindset and it's really liberating."

Unleashing the Teams

Here are some steps for making this work:

- 1. Ownership and senior management must really want this. Topdown is easier and feels more secure. If the leadership isn't ready to accept meaningful input at this level, don't even start down this path. False promises raise and then dash hopes and only make things worse.
- 2. Allocate a fixed number of hours per person per month toward participation in cross-functional innovation teams. This won't work if it is relegated to "spare time." The investment of real, even if modest, hours, shows the process is serious.

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- 3. Start small, with 2-4 strategic challenges. These areas for exploration must flow from strategic planning and be established by the board/management, who give the official go-ahead.
- 4. Promote involvement broadly, but don't force it. This is an opportunity not a duty; it is meant to be fun, interesting and rewarding.
- 5. Train all participants in leadership skills. Wiley's <u>Work of</u> <u>Leaders</u> approach helps staff develop bold visions that are both inspirational for the teams and achievable through concrete planning. This brings momentum for real results, and tremendous satisfaction.
- 6. Create a cadence and structure for the teams. There must be intermediate deadlines, stages and phases for the exploratory work. It must culminate in a presentation to determine if the initiative will be embraced and built into the operating plan.
- 7. Link to career development. Those who make meaningful contributions must be recognized and rewarded. Put successes in the limelight to attract broader interest and watch your culture of teamwork, extended leadership and innovation grow.

Might this just be playtime? A waste of resources? Not if it's focused on strategic challenges determined by the company and orchestrated as part of a process. Might teams run amok, falling in love with bad ideas? Be sure to put some strong players on each team, including senior management. They must not squelch ideas, but they can coach the team to deliver quality recommendations that may actually see the light of day.

A Cauldron of Leadership

At Giffels Webster, the concept of cross-functional teams was developed over time. The firm had historically functioned as distinct – in fact competing – profit centers, rather than as a unified team. With an evolution at senior levels, new leadership sought to bring staff together, get the left and right hands better acquainted and promote engagement.

From a CEO-written newsletter to a companywide anonymous survey to open invitation to monthly brown-bag lunches, President Clein saw increasing opportunity to get staff seriously involved in the company's future. When he allowed all staff to charge 5% of their time to the problem-solving teams, 40% took up the offer. When leadership asked all staff to complete a SWOT analysis, 65% participated. Around 65% of staff have taken part in one of the eight teams tasked with specific goals, a figure aided by the refreshing cross-functional concept, which avoids departmental strains, diversifies input and establishes new relationships. Members of the original strategic planning group take part in each team and report back every other month to the full strategy group to update and ensure alignment.

Over the past two and a half years, rogue teams have delivered, establishing a new system for internal communications, upgrading the enterprise accounting software and expanding the firm's drone and scanning business. One team led to winning the company's first acquisition in 40 years, a small planning firm that has complemented their service line, grown their revenue by nearly \$1 million and extended their geographic reach. Clein says that without the encouragement from the team, the firm would never have considered it.

Points of Light

"We're not all the way there, but when you've got 65% of the company volunteering because they're excited about trying to make the company better, and their work better, that's a lot of people coming from a very positive place," says Clein. "And when the teams are not run by a boss, no one has the authority to manage, so everyone has to lead towards a conclusion. It becomes a cauldron for great leadership and ideas."

To learn how Giffels Webster made this strategy work, <u>click here</u> to access the full interview extract.

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