



LEADERSHIP AND VISION

Executive Overview for:

What is Step One in getting the Leadership Ball Rolling?

“What and who is the Owner or Senior Leader going to lead? It all starts with the creation of a Leadership Team (Management Team) and the assignment of reporting responsibilities and expected results that are delivered and discussed monthly. This move to set up a senior leadership group and begin sharing the decision-making process encompasses the first move of leadership and the first visible sign to the associates that a Leadership Team exists within the organization.”- YourBoard.US

1. Who should be on the Senior Leadership Team?
2. How to move the Team from “Tactical” to “Semi-Strategic” to “Strategic.”
3. The ultimate objective of establishing a company Leadership Team.



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1. Establish and formalize a Senior Leadership Team.
2. The first step in establishing the senior leader's role, is the creation of the Company Leadership Team.
3. To begin the process of building an organization for the future, it is important to select the people occupying the senior roles of management and to meet as a leadership team monthly to analyze where results and implementations stand vs. the monthly and YTD plans. This team session is all about comparing where you are against your business plans and initiatives at this point in the year and then discussing (at a very Strategic Level) what action plans or corrective moves need to be made to get back on track or farther maximize opportunities.
 - A. Attendance should include the Owner or Senior Leader, the CFO, (controller, or accounting manager), Senior Operations manager and Senior Sales person. Depending on the organization, others may be invited to join this Senior Leadership Team, i.e.: The Engineering Leader, H.R. person, etc.
4. To begin, develop your own "initial" agenda. Be certain you distribute it several days in advance in the event someone on the team will be asked to report on a special agenda item. Go easy at the beginning on both your requests and your expectations. The topics that are regularly reported by each leadership position include:

Examples: of Regular reporting items on the Agenda

- Owner/CEO Senior Leader: Opening remarks, strategic issue updates, and other important company topics.
- CFO (Financial influence): Monthly and YTD financial performance against budget and previous year; cash flow, days in outstanding receivables, other key financial indicators, claims, lawsuits etc. Review healthcare payouts if self-insured.
- Operations Leader: Productivity performance against plan, (if construction) project profitability, units produced against plan, labor hours expended vs. plan, quality review, safety review, report on other key indicators, cost of goods against plan etc.
- Sales & Marketing Leader: Sales vs. plan monthly and YTD, review of outstanding proposals, review of recent "wins" and "losses" (Hit Rate). Recent new customers, lost customers, review of competitive market conditions and other key indicators.
- H.R. influence Company culture topics and issues, training plans, benefit issues, status, morale etc.



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5. As the Owner/Senior Leader you want to send signals to the organization that this Leadership meeting is different. This meeting is set up as being a level beyond the normal tactical (operations) and team meetings. This meeting should be held in a well-appointed Conference Room with refreshments appropriate for the time of the day. This group of Senior Managers should ultimately be looked upon by the organization as the Senior Leadership Team. This team will ultimately be the core team for preparing the annual business plan and the three year strategic plan with quarterly updates.
6. If your company does not already have such a Leadership meeting in place, it takes at least three such meetings to fine tune the reporting topics on the Agenda, gain a flow of discussions, have everyone comfortable so that they can clearly use the forum to begin to discuss strategic business issues, as well as reporting on key topics in each area of responsibility. This meeting is not designed to “solve” problems but to identify and define them so that priorities can be set to discuss and resolve them at the proper level. Solutions created from previously identified issues are then reported at the next meeting.
7. All discussions should be very casual, open, honest and confidential. Professional disagreements and challenges should be expected at times but handled with class, professionalism and courtesy. The Owner or Senior Leader should set the expectations for professionalism and lead by demonstrating the desired demeanor for every meeting.
8. The levels of experience of the associates participating in this type of “Leadership Team” forum will vary and patience will be needed at times. Don’t break the spirit of the Team by demanding too much until everyone starts to feel comfortable. The meeting may take a while before the level of desired productivity is achieved. My observation over many years is that the Leadership meeting begins to become professional and productive in the fourth month. This leadership meeting should be held monthly. On occasion the meeting can be moved from the established set day each month (third Thursday) but it should never be cancelled. If this meeting does not appear important and a top priority for the owner/senior leader, it will never be taken seriously by the Leadership Team itself.
9. As the Owner or Senior Leader, you are the facilitator with the duty of being certain everyone’s point is made, with no hostile pushback and with clear explanation regarding differing positions. Keeping with a respectful, open and very professional tone creates an environment for productivity.

The biggest chore is always to keep the conversation out of the weeds and more on semi-strategic level. This is where most “company leadership meetings” get bogged down. Avoid this at all cost. Suggest a later meeting to cover items that do not involve all participants.

10. Following up month-to-month on action items is okay, but this is not a session to issue tasks to subordinates. The goal is to get all of the senior leaders in the room to report the results in their areas of responsibility and to begin to think strategically, offer input, gain feedback, and begin to understand that a good company is made up of interactive teams and departments. You want your Senior Leaders to work “on” the business, not just “in” the business.\



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11. If this type of Senior Leadership Team does not currently exist in your organization, from the time you personally tell people about it and invite people onto it, they will be very suspicious and some who have never participated on a Senior Team like this will be very nervous. They must have a clear expectation of what they will be reporting.
12. The first few sessions should be devoted mostly to reporting basic data from each leader, as recommended earlier, and then offering input to the senior leader on particular topics. The Owner/Senior leader should always ask for opinions or recommendation and then offer thoughts in a congenial way when there is conflict. A company is not a democracy but the final decision making process must have clear input represented by members of the Leadership Team.
13. This Team generally starts with very little impact on the decision-making process. In time, however, the people grow and this forum grows into the platform for discussion on major decisions and also for the development of key strategies. This group later becomes the core team for the development of the Annual Business Plan and Annual Strategic Plan update.
14. Some will say "This will never happen with the people I have in my company." However, with good leadership the results from your team will far exceeded your expectations.
15. This Senior Leadership Team ultimately becomes the catalyst and facilitators for individual team meetings within each division, department, or process team where information is exchanged and input is gained. Thoughtful input from the teams of people that actually perform the work and are closest to the problems generally produce the best solutions.
16. The main principles in play in the creation of the Senior Leadership Team are:
 - A. There is a difference between a supervisor/manager and a leader.
 - Supervisors and Managers execute processes and plans that are in place.
 - Leaders create and change processes and begin initiatives that move new ideas to reality.
 - B. Most of our initial Leadership Team will be of a tactical supervision/manager mentality, which is to be expected.
 - C. Your goal is to move the Senior Team to more of a semi-strategic leadership mentality where brand new ideas and concepts are discussed and then turned into plans and initiatives.
 - It will take patience and mentorship from the owner or primary leader to evolve this Senior Team to be great contributors to positive change and the core of your high-performance company culture.
 - D. When this team feels empowered and part of the corporate decision making process, they take on an entirely different attitude and demeanor and become part of the solution for the many challenges that will face the team.



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- E. If you already have a periodic “managers meeting” within your company, assess whether it is tactical or semi-strategic and follow some of the principles we have discussed in setting up a true “Company Leadership Team.”
- F. In the final analysis, the more key people you have who share the same motivation and accept accountability for achieving results within their roles, the more initiatives a company can achieve.

“As these Senior Managers report the results of their areas of responsibility each month, they will ultimately be held to the accountability of proposing plans, changes and corrective actions when results are not consistent with the plans. The need to hold up each position's “part of the bargain” generates a “common spirit” and a focus on getting things back in line. Key managers will understand the importance of meeting the “RESULTS” of their individual roles and how important it is to the entire team. The effective leaders will have a plan and will ultimately get the job done...the poor leaders will stand out and will have to be replaced in order to assure you have problem solvers and solution providers and not complainers and procrastinators at the senior leadership level.



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