



The What, How, Who, and Why of Teams

RHR International's Guide to
Building High-Performing Teams

Introduction

For senior teams, the gap between strategy and execution is an enduring and difficult problem. Why do the best-laid plans fail to come to fruition despite huge investments of time and energy? Given the challenges of the COVID-19 pandemic and resulting rapid changes to strategy, increasing speed of execution has become even more critical to success.

Our research into high-performing teams shows common characteristics among the teams that are most effective at executing strategy. 1) They define their core purpose and communicate consistently; 2) They are expert at leveraging cultural enablers; 3) They fuse strategy with the day-to-day; and 4) They skillfully balance multiple time horizons.

Within teams, dynamics are changing. We are seeing a shift away from an emphasis on *what* the team does (the strategy, mission, goals, and key-performance indicators) and *how* the team does it (ways of working, decision-making rights, roles and responsibilities) toward *who* is doing the work (a greater need to be ourselves and feel that we belong and a greater emphasis on psychological safety and diversity in teams) and *why* it is being done (a sense of overarching purpose and the role we play in terms of service to the community, employees, and the environment).

These dynamics influence the effectiveness of teams and why and how they achieve their goals. Now more than ever, it is important that there is a connection to the organizational *why* for teams. If it's the top team, the team members should be able to radiate, communicate, and role-model organizational purpose for the rest of the organization. How team members spend their time and the behaviors they engage in are critical to the execution of strategy.

About this guide

Team effectiveness theories typically focus on an ideal mix of the personal characteristics of a team's members. Other models favor stages of team development that need to be accomplished before the team can be classified as high-performing. At RHR International, we look at teams differently—holistically and through the lenses of the What, How, Who, and Why of great teams.

For this piece of research, we wanted to go beyond the lens of the individual leader to investigate how the most successful teams bridge the gap between strategy and execution. This guide describes what high-performing teams do and what they achieve—and how you can thoughtfully reflect on the effectiveness of your team.



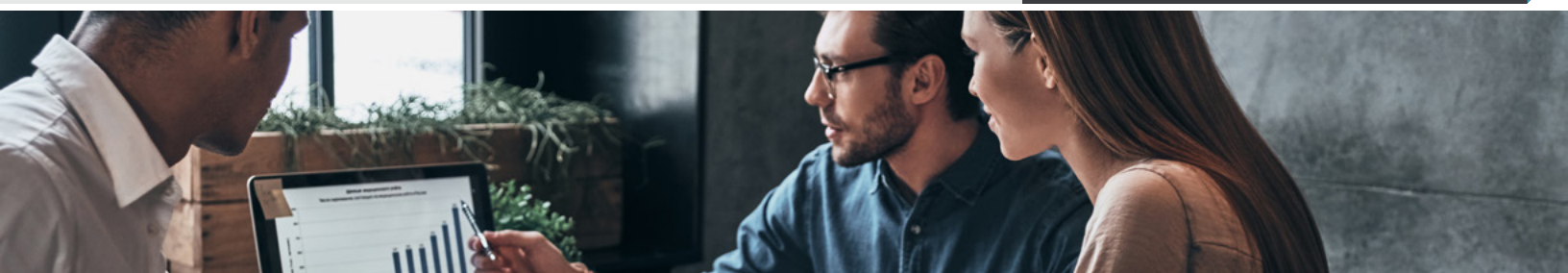
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What high-performing teams do differently

RHR International sets about unpacking how effective teams work to execute strategy, identifying what sets these teams apart in terms of how they spend their time and the critical behaviors they engage in. To do this, we examined data from 49 enterprise leadership teams we have worked with and analyzed the factors that enabled the greatest success in terms of time and behaviors. What do high-performing teams do differently?

Define their core purpose and communicate consistently

Our research found that high-performing teams are aligned around the identity of the organization. In high-performing teams, people understand what is at the core—the purpose that the business exists to serve for its employees, customers, and society.

High-performing teams understand the role each person plays as an individual and how that fits with achieving the overall goals of the business. Key to this is effective communication, which is not just a top-down approach but an ongoing dialogue at all levels.

According to our research, high-performing teams:

- Spend almost 20% more of their time on defining strategy than low-performing teams do.
- Spend 12% more time aligning the organization around strategy and communicating a consistent message throughout the organization.

Ask yourself...

- Does your team buy into and identify with the values of the organization? Think about how you and your team can role-model the values so that they become part of who you are as an organization.
- What team norms do you need to create a growth mindset? Spend time talking about the cultural enablers and barriers to success. High-performing teams tune into culture and link it to the *why* of organizational purpose.
- Do you know what the dreams and aspirations of your team members are? How could you make more time to engage in dialogue around career progression so that the direction of team members and the organization remain aligned in their ambitions?

Leverage the cultural enablers

Cultural enablement is centered around the *who* of the team. High-performing teams understand what each team member brings to the whole and what each person wants to get out of their role. Team members are accepting of the need to bring their whole selves to work and the benefits of creating a psychologically safe environment where everyone can contribute.

In high-performing teams, members are tuned into culture and pay close attention to conversations about cultural enablers and barriers. High-performing teams also talk regularly about long-term succession and how equitable representation and diversity can be woven into the workforce of the future. Those teams that continue to monitor and challenge their cultural and leadership biases have a competitive edge.

Our research found that:

- In high-performing teams, 28% more time is spent on engaging in dialogue about cultural enablers and barriers to execution and allowing employees to voice concerns.
- The highest-performing teams allocated one-third more time to optimizing talent capabilities and creating succession plans to be competitive.



Ask yourself...

- Are you creating an environment where people can experiment and challenge? Consider what you can do as an organization to ensure people feel psychologically safe and confident to make mistakes they can learn from.
- How do you balance collaboration and competition? The team wins together by promoting collaboration over competition, and a more profound sense of connection is felt.
- Do you show appreciation? Practicing gratitude and encouraging others to do so can support the behavioral changes needed to move forward with a sense of purpose.



Fuse strategy with the day-to-day mission

Fusing strategy with the day-to-day mission means making sure the contributions of individuals and teams feel connected to the overall mission of the organization. The highest-performing teams break strategy into clear action steps and prioritize them. They are intentional about the best and highest use of the team's time.

They spend more time strategizing and translating that strategy into goals and interacting with key stakeholders to ascertain and anticipate roadblocks and opportunities.

Our analysis of how teams spend their time shows that:

- High-performing teams regularly review key metrics, shifting resources accordingly and spending 14% more time checking their progress.
- High-performing teams (compared to lower-performing teams) spend 54% more time first, setting direction—crafting a vision that serves as a guiding light for decisions regarding resources.

Ask yourself...

- What percentage of your team's time is spent firefighting or dealing with issues that could have been dealt with at the next level down?
- How much of the team's time is invested on big-ticket, strategic items?
- What percentage of time does your team spend engaging and aligning with the organization? To what extent is the team aligned around a shared agenda and story?

“Our consultants were very engaging and able to ask the right questions to drive conversation forward without lecturing to us and taking up all the time. It's always a productive and collaborative discussion when they bring us all together for these sessions.”

CFO, AI APPLICATIONS
AT A U.S.-BASED MULTINATIONAL TECHNOLOGY COMPANY

Balance multiple time horizons

High-performing teams successfully shape the future rather than always being in a reactive mode in the present. The highest-performing teams equip their organizations for success by intentionally planning for the long term while also nimbly responding to changes in the short term.

They are also agile in course-correcting when the needs of the business change. They are more easily prepared to shift organizational resources to ensure that the strategy is executed, something that has been especially important during the pandemic.

How do high-performing teams balance time horizons?

- High-performing teams spend over 13% more of their time planning for the future—setting direction, creating a vision, and clearly defining their strategy.
- The highest-performing teams are over 20% more effective in reacting swiftly and nimbly to change.

Ask yourself...

- How much time did our team spend thinking proactively about the future of our industry, our business model, the regulatory landscape, and our consumer?
- How does the team balance business as usual with the need to respond to critical events, ensuring that direction is not lost during times of crisis?
- How about key stakeholders? Do we know how people are feeling, and does the team have a decent pulse check on their blatant and latent needs?



Closing the strategy-to-execution gap

How might you close the strategy-to-execution gap in your own company? We believe that being intentional about the best and highest use of the team's time is the key lever in getting results.

Where should you start?

High-performing teams have these characteristics in common:

- They are aligned around a shared purpose and story for the team. They are conscious of changing priorities, and the importance of the *why* of the organization.
- They are invested in the *who* of their team and effective at shaping and role-modeling culture.
- They spend more time engaging with the organization, surfacing barriers, and communicating direction.
- They spend more time interacting with key stakeholders to ascertain and anticipate roadblocks and opportunities.
- They spend more time strategizing and translating that strategy into actionable goals and less time fighting fires.



A proven model for team effectiveness

At RHR International, we believe the team is the most important lever that a senior executive has to deliver on their organization's strategy.

Our proven model for team effectiveness builds on our extensive experience and research to create collaborative, purpose-driven teams to deliver better results. Our Senior Team Effectiveness model focuses on the four critical dimensions of teamwork—the What, How, Who, and Why.

“RHR created an environment of absolute trust, exercised great diplomacy and discretion, approached the exercise with deep insights and high-emotional intelligence, kept the exercise constructive and forward-looking, while recognising and acknowledging the past. Excellent!”

HEAD OF CLIENT SERVICES
AT AN INTERNATIONAL PRIVATE EQUITY FIRM

“RHR's ability to work with senior-level executives in a very large multi-national corporation left a strong impression. They did their homework on us. They were able to get to the roots of the main challenges and then offered up multiple exercises to help address them.”

INTERIM CHIEF TECHNOLOGY OFFICER
AT A U.S.-BASED MULTINATIONAL TECHNOLOGY FIRM

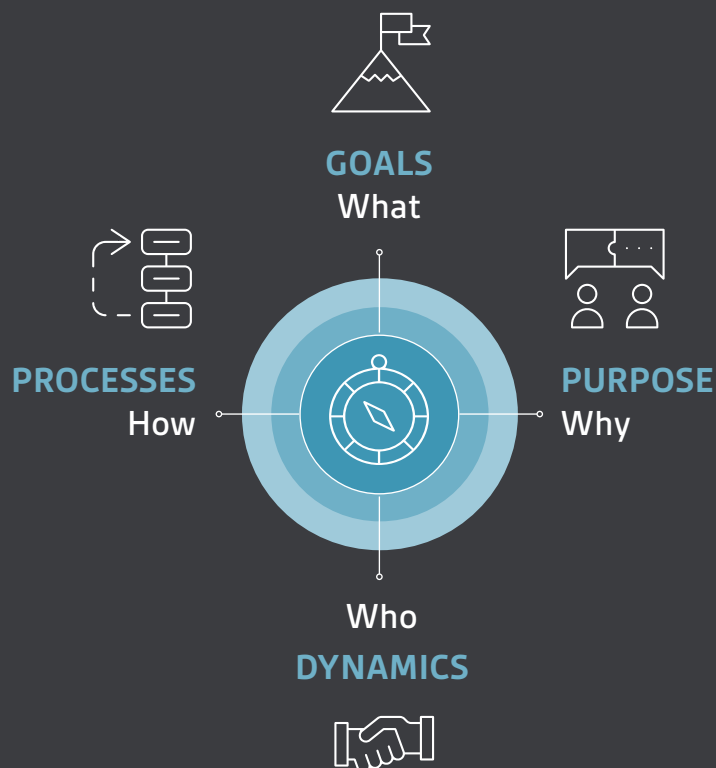
The What — What is the work of the team, and how is it changing?

The How — How is the team operating together, and are they working well under the current pressure?

The Who — Who are the people who make up the team, and what kind of culture do we want to create?

The Why — Why are the things we do as a team important, and what are we in service of for our clients and community?

These four areas act as a powerful compass pointing the way to superior performance.



Working with RHR International

Competing agendas, vague purpose, misdirected focus, and uninspired engagement are all obstacles to team effectiveness — obstacles that RHR can help eliminate.

RHR specializes in working with senior teams to help establish a clear direction and align behavior around it. We enhance a team's ability to work together to achieve their organizational goals and create impact on the bottom line.

- Cohesive groups focused on performance and business impact
- Collaborative teams with clear goals
- Strong alignment with the leader's agenda
- A transparent decision-making process
- Maximized use of time and talent
- Leveraging strengths while mitigating derailing behaviors
- A team climate of trust and healthy conflict

Our results

Our clients see the results of our work on improving team effectiveness:

- **100%** of team effectiveness clients believe we are committed to delivering our best work for them
- **98%** are highly satisfied or very satisfied with the services they have received from our consultants
- **93%** of participants would recommend our service to others
- **93%** say that our work has inspired their organization to make the changes needed for success
- **94%** are highly satisfied or very satisfied with the value that our work has added to the organization

“The session was set up with a good flow to help our team come together to achieve a common cause for the week. There was a good balance of industry insight, company insight, and personal perspective, which helped us think differently.”


VICE PRESIDENT, GLOBAL SUPPLY CHAIN OPERATIONS
AT A GLOBAL MANUFACTURER OF CONSUMER PRODUCTS


Why work with RHR?


At RHR, we are pioneers in the field of organizational psychology. As the premier boutique firm in this space, we are big enough to bring you the data, experience, and resources your project needs but small enough that you get all the attention and focus you deserve. Our services are personalized and unique. We have outlasted scores of competitors and have remained a relevant presence in the life of our clients for more than 75 years.

Our leadership assessments use the combined power of technology, behavioral science, and leadership expertise to help you build robust pipelines of enterprise leaders. We operate on the principle that assessments should enhance internal insights, not replace them. High-impact assessment supports the evolution of your talent and enables you to make robust decisions that future-proof your business.

**Ready for next-generation insights?
Get in touch today.**

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We shape leaders;
leaders shape the world.

