

# High-Performance

*It's all about the mind-set.*



by Howard M. Guttman

**L**EADING AND WORKING within a horizontal organization represent a radical departure from the norm. Those involved in the transition stage often feel like strangers working in a strange land. The horizontal, flat organization has new expectations, rules, and ways of showing up as competent. Ultimately, it requires change at the *inner person* level—starting with the leader and his or her team. High-performance leaders create the right collective mind-set—one that hinges on high leader-player candor and a shift in accountability.

**Being candid.** When we work with a team that wants to raise the bar, we ask each player to describe the team mind-set. Teams that are wary and closed, that suppress conflict, never achieve greatness. They tend to avoid risks and become inwardly directed.

On a great team, candor is king. If you have a point of view, you are free to express it. If there is conflict, you can resolve it without game playing. If you have feedback, you can give it, provided it is depersonalized, to move up performance and results.

This change in mind-set is difficult, conditioned as we are to hold back and bite our tongue, believing that *discretion is the better part of valor* and that *telling it like it is* is risky business.

Candor requires leaders to *walk the talk*. Team members must be open with one another, but first their leader must be open and straightforward with them. A leader who brooks no disagreement can't expect open dialogue. Leaders who ask for honesty must show that they want it—even if directed at them. They do this most convincingly by listening to critique of their performance and acting on it, by changing behavior that the team tells them is *unacceptable*, by not cutting off dissenters or denigrating their opinions, and by not pulling rank when making decisions.

**Candor takes thick skin.** In one company, we aligned a global HR team. One post-alignment session included a review of the team's answers to the questions, "How would you rate your leader's

performance, and what does he need to do differently to improve it?" One team member remarked that the team leader demonstrated bravery in the way he handled the feedback. "He sat through 90-minute session and listened to each person. He didn't explain or excuse himself or try to provide solutions. He just absorbed it." The leader then led a follow-up session in which he and the group identified actions they could take together to address each concern. "Hearing these things must shake you up and raise doubts about your abilities," added the team member, "but our leader never became defensive."

**Accentuating accountability.** Vertical accountability is typical in a functional-oriented organization. Executives, managers, and supervisors are driven by results—their own and those



expected from subordinates. Rewards follow this vertical trajectory, with income and advancement tied to success in "my end" of the business.

**Horizontal accountability** puts equal emphasis on cross-functional, peer-to-peer accountability, as well as peer-to-leader accountability. It sets up different performance expectations and rewards. Team members know that doing their jobs well is necessary but insufficient. Their peers—and the leader—must also operate at the highest performance level—and it's up to them to hold both accountable for doing so.

Great leaders know that for *horizontal accountability* to take hold, they must model desired behaviors and deliver the message that it is not only *permissible*, but *expected*, for team members to hold the leader accountable for business results, for observing agreed-upon rules, and for interpersonal behavior.

In a traditional hierarchy, a CEO rarely submits to being held account-

able by those who report to him or her.

**Horizontal accountability** flies in the face of vertical intuition. This is why the CEO's role in facilitating a mind-set change is crucial. When the leader and his or her top team model peer-to-peer accountability, it extends to teams.

## **Mind-set Change: Playing For Real**

Not everyone is ready, willing, and able to embrace the mind-set changes required to operate on a horizontal, great business team. A lot of "stuff" can get in the way. For example: holding on to a story that says, "If you show all your cards, someone else will win"; complacency; fear of having weaknesses exposed; and discomfort with the accountability requirement.

While members of great business teams share responsibility with their leader for dealing with underperforming peers, the leader plays a critical role. The high-performance leaders we know have an up or out approach: Those who cannot adapt and thrive should take their game elsewhere. It is the ultimate in playing it for real.

One CEO recalls that in a healthcare organization, he was persuaded to fill the position of finance director with an internal transfer who had previously been passed over for CFO. It soon became apparent that much resentment was still simmering under the surface. The new CFO craved center stage and had an unrealistic view of his capabilities. His colleagues had to tiptoe around him when providing feedback, and he never could see the point of *horizontal accountability*. The executive went to great lengths to salvage his new hire—but nothing worked, and after several meltdowns in executive team meetings, the executive was asked to move on: "You can only work at something for so long before you must say, 'This person has to go.' If you are not on the same page, or if you can't convince a team member to be authentic, follow the rules, and perform at the same level as colleagues, it's an unhealthy relationship. The team expends too much energy on the dysfunctional relationship when it should be winning consumers and customers."

In this CEO's view, the leader owes it to the team to ensure that everyone shares the high-performance mind-set. "The team deserves people who pull for *the team*—not for *themselves*. Great team members give more than they take." LE

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**ACTION: Cultivate a high performance mindset.**