SCALE IDEAS & IMPACT

Scaling a Strategic Capability through Networks

CASE CONTEXT

A former investment banker becomes a finance leader embedded in a global operational function. To meet the increasing scope and complexity of the work, she establishes the team as internal consultants by building skills and creating relationships.

FEMALE

Level: MANAGER OF MANAGERS

Industry: PROFESSIONAL SERVICES

HIGH-PERFORMING LEADERS LEVERAGE NETWORKS TO DO 5 THINGS

Based on 20 years of research in more than 300 organizations, we know that the quality of your professional relationship play a significant role in your success. We have extended this research to describe the way high-performing leaders leverage their networks to: Innovate, Execute, Scale, Thrive and Adapt.

Erika left a prestigious Wall Street firm to be the finance head of a global business with complex partnerships and alliances. She saw that changes were needed to manage the recent growth and complexity of operations. Yet, the internal teams—highly skilled in specialized fields—were accustomed to the finance team providing a transactional service, built on budget reviews and compliance, rather than providing expertise to the planning and management of the work.

Erika's priority became to build financial advising as a strategic capability in the organization—a goal that required development of her team and bringing along the operational teams. "My agenda has been to change how my team views our role and educating the larger organization about how the finance planning and analysis group can have a positive impact on our work."

Within her team of 20, Erika worked to establish a consulting mindset and to help them apply their knowledge beyond what had been traditionally expected. Team members needed to be brought in earlier, be more proactive and be empowered to voice concerns and figure out solutions. Erika had to help her team overcome the "it's not my role" mentality. "I wanted them to understand their own bias. What do they think their role is and isn't? Why? … Most of the team had the capability to solve certain things, but they did not feel that empowerment."

At the same time, Erika's team needed to build relationships within the units and project teams. "We are a very relationship-driven organization, and most of my team wasn't spending enough time on that … If you have been very compliance-oriented with another person and then you start asking all kinds of other questions, that's not going to go very well. So, how do you frame it? How do you phrase those questions and build a closer relationship?" The team was also lacking the larger view and sense of context, which was important for the team to grow and take risks as they stepped into consulting roles. "From where I sit, I see what's going on everywhere. I helped build that context for my team members so they appreciate it and know where they fit in."

Erika's formal role gave her entry into meetings and discussions. She would bring a team member with her to observe and learn from her approach, debriefing what happened afterward. After a meeting or two, Erika would observe while her team member took the lead. Soon, she stepped back entirely.

"My team could watch and learn from how I engage, how to look for an opening and be responsive … Once they felt confident and empowered, I would figure out my path to fade into the background."

The larger network of project directors, process coordinators, subject-matter experts and partner-relationship managers also needed to understand how her team could improve the outcomes of the work, not simply check a box and prevent mistakes. This required patience and persistence.

"That's where getting in the room to ask one or two thoughtful questions was important. Sending out a PowerPoint deck to tell them what you can do won't work … What we do is not intuitive to the people we support. They are subject-matter experts, people who have narrow, deep knowledge. But, they may not have the experience to structure a project well financially. So, we had to educate them how the financial piece actually helps make the project stronger. We had to overcome the reaction that it is slowing them down in the short term and sell them on the fact that it will help them in the longer term."

Her team learned to overcome objections by engaging with two types of influencers."There are always two or three people that everyone listens to. Part of my process is to figure out who the informal leaders are. If you crack that nut, everyone else will follow … We also pay attention to the people who are the loudest complainers or give the most resistance. I try to build direct and transparent relationships with them. Even if they don't like what's going to happen, if I can get to them and diffuse some of that anger or listen to issues, then we'll end up in a better place."

Slowly, Erika's efforts paid off. "I measure our impact from technical perspective, but that's almost secondary. I've been looking at whether we're actually having influence, have I reached the right people, is the relationship piece there? So, yes, I can see the success by the quality of conversation my team is having, what projects are they on and who initiated them. Increasingly, we are asked to get involved earlier on, and we are getting invited to be a part of bigger projects and more complex projects. It's taken time, but I think we are about there."

Network Insights

- **Use experiences to build both the capability and the network of team members.** Have them shadow you in meetings so they see you demonstrating needed skills or behaviors. Then, shadow them to be a safety net as they learn. After four or five experiences, they have boosted their capability and created an initial network.
- **Provide team members with a sense of context—then step back.** Help them see how their work aligns with strategic objectives or the bigger picture, but don't fill in all the details. This builds capacity beyond yourself.
- **Seek out key opinion leaders and vocal resistors early on.** When you are trying to influence, getting both groups engaged in a productive dialogue will improve the chances of uptake.
- **As you build relationships and good experiences, ask your influencers to spread the word to others.** Have them talk one-on-one with a peer or co-present as you take your message to the broader network.

Identify & Engage Influencers to Gain Acceptance of Ideas

A group's willingness to bring advisors into their group—or extend their role—is always influenced by formal leaders and a small subset of informal opinion leaders. Always secure the formal leaders' interest *and* ensure you target two other categories of informal influencers:

1. Influential experts. Informal opinion leaders are those who are respected for their knowledge, experience or how they operate (or all three). Watch who is listened to in meetings or sought out for advice. Find an opening to work with them to establish credibility and gain a foothold within a group.
2. Influential resistors. Vocal dissidents create significant roadblocks to new people and new ideas. Work to get them engaged in productive dialogue early on. They may or may not join with you, but the relationship and perspective you gain will help counter the negativity.

ABOUT THE RESEARCH & ROB CROSS

Building on 20 years of research with more than 300 organizations, the Network Leader Research Project seeks to understand the approach and strategies that enable certain leaders to consistently achieve peak performance. The research includes 160 in-depth interviews conducted by Rob Cross, a Professor of Management at University of Virginia's McIntire School of Commerce. The Connected Commons is currently focusing its research on leadership effectiveness, talent optimization and organizational alignment and change—three areas where network insights can clearly drive performance. For more information visit www.connectedcommons.com or email Rob at rlcrossjr@gmail.com.