SCALE IDEAS & IMPACT

An Effective Global Network Increases Revenue & Replicates Success in Multiple Countries

CASE CONTEXT

An operations leader converts a strategic challenge into a successful business model. He leverages his personal network to explore options, find global talent and connect expertise across the company.

MALE

Level: MANAGER OF MANAGERS

Industry: CONSUMER PRODUCTS

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.

INNOVATE   EXECUTE

SCALE   THRIVE   ADAPT

Ricky brings broad functional and management knowledge to his role as a strategy director for a global company.

His prior roles, both within the organization and in smaller firms, have involved general management and operations functions across Europe, Africa and the Americas. He currently runs a team of 26, half of whom operate away from the company's U.K. headquarters. Shortly after joining the company, he had an experience that built out his network and established ways of working in a decentralized context to scale impact.

A popular brand had been languishing in one market. The business model for decades past—selling through a local distributor—caused two problems: sales were declining due to inattention and revenue was unable to be extracted or reinvested due to legal and regulatory changes. Newly responsible for the brand, Ricky needed to set up a new, legal entity in Brazil. "The way we were set up had us selling product, but not getting anything for it … The core of the solution was clear—a new legal entity rather than the third-party distributor—but was there a way to make a more sustainable, better business over time? Could we do better than a shell to get the money out and have a business that created value?"

Ricky ended up working with a team of 18 people—a group that evolved through networks, not formal channels. The initial team was Ricky, his boss and a finance director, all U.K.-based and none with knowledge of the Brazilian market. A sister company did operate in Brazil, so Ricky decided to reach out to their management for expertise and advice. "No one in my group knew anybody in that business, but someone said, *I do know someone who might know somebody*. It was very informal, but I eventually got to the operations VP in Brazil." In conversation with him, introductions were made to the finance and HR managers, who offered expertise and opened doors to recruit someone to run the soon-to-be-formed business. Similarly, Ricky was using the network to set up finance and legal support in the U.K. and help from marketing and product development in Switzerland.

With a newly-hired general manager in Brazil, Ricky and the team pursued their options. Importantly, the work was framed around a joint definition of the problem—not just a directive from headquarters. "We focused on what the brand was, how it had gone horribly wrong and how to turn it around … We needed all of us to decide how we were going to push this brand." With a collaborative tone and shared understanding set, the project took off. "The GM just took the project and sped it up … At that point, the energy went from the U.K. to Brazil."

The right mix of expertise and collaborative skill was important in recruiting everyone involved in the project: "If you have a small team, one person who is not right is a huge problem." Getting the best person in the GM role was especially important, given the combination of starting up a new business and working with an established brand and company. "The person I was looking for was a self-starter … We had to operate as a start-up. We had to break everything to make it work again … I thought all the candidates would love that, but some people couldn't handle that amount of liberty or autonomy in decision-making."

At the same time, the GM and her team needed to work within the broader team and in the context of the bigger company. "There was a lot of discussion around how broad the scope of the Brazilian team was … They are close to the market, but they couldn't go off and do whatever they wanted. There are checks and balances when you engage other people and then, hopefully, you get to the best answer."

Ricky saw his role as one of facilitation within the network, helping navigate the systems and manage the collaborative tension. "I said, *I will support you in making things happen. If you don't know someone, I will get you that contact*." As there were roadblocks in the process, or communication challenges within the team, he worked to keep everyone aligned through regular team calls. He held one-on-ones to be sure ideas and issues were being raised and addressed. "There were little things, communication hiccups. I could say, *Look, it's OK. It was not done maliciously and we learned*."

The project was successful, with both an early win of nearly $1 million and steady growth over time. What had been a shrinking $3 million business is now a $22 million business. The value of the brand in the market is strong. Ricky has also applied the business model—and his global network process—to operations and products in three other countries. "It's a repeatable model, and we have used our experience to see new businesses in the countries the company is already in." Personally, he loves working in global teams. "I have learned so much about people and how they think about problems and how to get to ideas and solutions."

Network Insights

- **Leverage the informal network to indentify and engage influencers across silos or cultures**. Ricky began with three people in his business unit and asked, *who do you know?* to find colleagues with regional and technical expertise.

- **Don't deliver a fixed plan to the network.** Spend time with cross-functional or cross-boundary influencers to gain mutual agreement on the problem space. Involvement at this stage also allows for innovative solutions and spurs ownership among stakeholders.

- **Staff the execution team with collaborative people who can thrive in the needed environment.** A network analysis can identify potential brokers and energizers; interviews can determine the fit for factors such as ability to thrive in an environment with little structure or interest in the challenge.

- **Build the network to deliver.** As the plan is shaped, expand the network internally and externally as required to scale the work or adapt the process to different locations or contexts.

Creating Engagement & Reputation by Being Pulled Into Networks

Ricky has learned to overcome the "tyranny of distance" as he has managed global groups. Here are a few tips to keep the network engaged and effective.

1. *Structure time into your calendar to touch base with direct reports or core team*. "Because you won't bump into people in the corridor, your calendar management has to be really good and you need to stay committed to those meetings." Focus 1:1s and team meetings on current issues and creating connections or introductions to other people who may be resources. Connect off-task as well—get to know people's interests and aspirations.

2. *Alternate time zones so that no one feels continuously put out*. Rotate your morning and evening calls, so that the inconvenience is shared and people can bring different levels of energy to meetings over time.

3. *Get together face-to-face once or twice a year*. Include a range of ways to engage: bring in an outside voice (a customer or a subject expert), on-task conversation and planning, unstructured blocks of time and social activities. "Give time for people to have a drink, take a walk, go explore. The problems people have bubble up to the surface if you give them time."

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.