

Memorandum

From:
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Date:
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To:
Directors
Managers
CC:
Managing Directors
CEO's

Subject: Stop being so 'NICE'

I asked an Operations Manager how things were progressing with the relatively new management team (everyone is still finding their feet and understanding their relative roles and responsibilities)

He smiled and responded, "Well, there haven't been any arguments so far."...
LIKE THAT WAS A GOOD THING!!!

It's an alarm bell and as much an indication of a dysfunctional management team as a good one.

Tensions between functions and individuals exist in every successful commercial company. This is not a matter of good or bad, but a statement of reality.

Let's talk about it

Classically this exists between Sales and Operations, but tensions crop up in all sorts of places between support (HR, Finance, Health and Safety) and line functions or between individuals.

They are caused by an inevitable conflict of approaches, attitudes and priorities, which I refer to as functional bias. Not only is it normal, but it is also crucial.

This level of tension is the very thing that propels innovation and keeps companies evolving instead of resting on their laurels.

The problem is not the level of tension or disagreement. The problem is the way it is managed by the leadership team.

Wrestling Giants

In my career, I worked for two corporate giants, Tesco and Orange. Each had a different way of managing tension at the Board level.

In Tesco, I held a relatively low-level executive role, so my direct interactions with the Board could be counted on one hand. But I worked closely with people who regularly did, and critically I spent a lot of time

in a smoking room frequented by a Board Director. I was a nosy guy even back then, so one day, while I puffed on a Silk Cut and he smoked his Hamlet cigar (this dates the story), I asked him what it was like in a Board meeting.

He described it as open warfare. Lots of finger-pointing, shouting and banging fists on the table (a perspective corroborated by my senior colleagues).

However, it stayed in the boardroom. When a decision was reached, the Board unified around it, and regular friendly interaction resumed. As far as everyone else was concerned, the Board was unified behind its strategy.

Orange (where I had much more board interaction) was a different kettle of fish. Board meetings were a procession of presentations with limited debate. I never heard anyone particularly raise their voice.

Decisions (if they ever were made) were half-hearted and were often ignored by functional directors if they disagreed with them. The lack of violent debate resulted in functional guerrilla warfare. Almost every significant change initiative got bogged down, and the financial cost must have been in the hundreds of millions.

Now I am not professing that either of these extremes of behaviour is a worthy model to follow but ask yourself honestly, in the interests of growth and progress, what direction should the pendulum be swinging?

It is possible to have a robust exchange of opinions and fundamental disagreement without resorting to interpersonal warfare. Of course, shared data and a common overarching purpose play a significant role, but fundamentally, it starts with the behaviour of individuals.

Sometimes that is about learning to be less 'NICE'.

Too Nice

Recently the FD of a company I work with said to me, "*Sometimes it's really hard working with such nice people*". After my initial impulse-driven giggle, I began to see the raw truth in what she was saying.

Sooner or later, a culture of **NICE** (No-one Inside Cares Enough) overtakes the commercial imperative (the survival and evolution of the business). People become reluctant to speak up when something is on their mind or fail to act, purely for the risk of upsetting others.

Leadership team meetings become a series of presentations instead of a rigorous debate, people start to spend more time thinking about protecting their functional interests, and there is no shared understanding of the business strategy and performance.

This is the rot setting in, and once it has a hold, nothing will stop company growth and development faster...

Less NICE

If you think your company may be at this point, here is something you can do to at least start the discussion.

Grab a flipchart at your next Leadership team meeting. Debate and answer the following questions:

If we are to deliver on the full potential of this company and execute our strategy...

- What behaviours do we need to continue to encourage in ourselves and the company?
- What shifts in behaviours and attitudes do we need to achieve? How do we balance a positive and friendly culture with the need for commercial pragmatism and clear responsibility?
- How do we embody and communicate the right behaviours and track and monitor them to ensure we stay on track?

That's as good a starting point as any.



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