



BUILDING ORGANIZATIONAL EXCELLENCE

Building organizational excellence often implies rebuilding. You may have to change purpose, attitudes, ways of engagement, or the very value proposition of an already successful company. To do so requires cogent communication from the top, but above all, it requires strong talent to follow through beyond your reach as a CEO.

CASE STUDY

Make purpose relevant.

At Darden Restaurants, Clarence and his team articulated that their core purpose was to nourish and delight everyone they served. To make it relevant to all their constituents, they spoke of nourishment in a physical and emotional sense.

When talking about the guest experience, it went beyond the food and included social well-being. When talking about employees, it was about nourishing their dreams and ambitions. When talking about the communities in which they operated, Darden's purpose was to help them thrive.

01 REFRESH THE LEGACY

Recognize past roles

To change direction, first recognize the historical strength of your company, going all the way back to its origins. Give people that were tenured some conviction that they had a place to be, and at the same time recognize what needs to shift. Be very clear about why past strengths will not be strengths going forward.

Communicate from the top

Acknowledge past success publicly and put it aside to build for the future. It is critical that such communication starts from top leadership and is shared down through the organization to make change and get buy-in.

Articulate a clear purpose

Make your purpose come alive. Communicate the need for change in a way that is applicable to your customers, employees, and communities.

02 BUILD THROUGH TALENT

Once the new direction of the company is clear and has the buy-in of stakeholders, put talent at the center of it in a very disciplined, thoughtful way.

“Almost any senior vice president should spend 25% to 30% of their time on talent management. For a CEO, talent management is probably about 50% of their job.”

- Clarence Otis

TEAM CHALLENGE

Where do you think you and your senior leaders are on the continuum of time spent on talent? Are you at 25%?

If meaningfully less than that, what time or contexts can you adapt to have a greater impact on talent management?

PERSONAL CHALLENGE

Make sure that you are not invited to meetings that you don't need to attend.

Instead, schedule meetings with yourself to reflect and think. If somebody comes in, treat it as a scheduled commitment just like you would any other meeting.

Train yourself not to get distracted.

Talent is the CEO's role

The talent management around the most senior teams can only be done by the CEO. The meetings and the coaching are ultimately what will drive organizational success.

Many organizations have success profiles for their most important positions. What does that look like for you given where the company is and where it is headed? What are the most critical competencies that a successful leader needs to implement your strategy? Work on building those into the key positions that report to you.

Teach actively

Encourage all top leaders to spend a large proportion of their time on talent management. You will meet resistance as it will require them to delegate a lot of the other stuff they do.

Active training takes more time than having someone look over your shoulder, but it gets them up to speed faster and allows them to take responsibilities off the hands of your senior management.

“What is your unique contribution? What is the thing that you can bring to the table that none of your direct reports can? Well, that's the thing you should be focused on.”

- Clarence Otis

Manage your time for talent

Build talent through diverse engagements.

There are opportunities to teach in all meetings. Take advantage of the time you already spend with people so that coaching does not become an extra demand on your schedule. Share your successes, the challenges you faced and how you overcame them. Teach your unique strengths.

CASE STUDY

Guide reflection.

Clarence holds coffee chats every 60 days. It is an open invite where he will throw out a provocation, and then split the group into breakout rooms to discuss it and report back to him with their insights.

“For the people reporting to you, talent management is your job. No one else can do it, they are not close enough to them.”

- Clarence Otis

Schedule specific meetings with your functional leaders and their direct reports to hear from the high potential talent further down in the company. Understand the opportunities they see and the challenges they face. Use it as an opportunity to teach your direct reports how to engage with their talent.

Host casual coffee chats with groups of two or three people from different areas in the company. Doing it in small groups will take the focus away from you and establish strong networks across functions. Spark innovation by crossing different ideas and contexts.

Sponsor great talent

You do not need to mentor top talent to support them. Distinguish between the role of mentor and sponsor. Sponsor someone by supporting them beyond your immediate interaction with them. Advocate for them in senior meetings, even if they are not there.

If you are not the best mentor for someone, hand them over to someone who is. Value your time. Encourage mentees to understand that seniority does not reflect relevance to their needs.

Build multi-skilled talent

Well-rounded talent takes time to build. It requires less reliance on individual relationships and more contribution from leaders across the organization. Establish joint ownership of talent pools to ease placement across the company.

Spot candidates who are genuinely curious and want to understand how everything in the company fits together. Give them roles and opportunities to create experiences that feed their curiosity. Get them engaged early in their career.

CASE STUDY

Cross functions.

At Darden, Clarence brought the functional leaders from across the organization together to assess all the people in their function, regardless of which restaurant chain they worked for.

The four or five marketing leaders, for example, would assess all the marketing talent across all business units.

It helped to create cross-enterprise mobility at the function level because leaders were exposed to more options.

It also encouraged them to review talent more candidly, as anyone was a potential candidate for their business unit.

CASE STUDY

Steer with rewards.

Clarence split equity grants into three tiers.

The highest tier was awarded to those people who had high performance, high potential, and a high people leadership rate.

Encourage talent mobility

Moving people across functions helps to reshape and accelerate talent. Top talent should be placed on top work. Expose leaders to talent in other areas of the company to encourage mobility.

Mobility improves talent retention by opening growth opportunities for high performing individuals and keeping them challenged.

“We've found that if there's an expectation that you can't get to senior VP without diverse exposure, people are clamoring to be moved.”

- Clarence Otis

Leverage incentives

Tie short-term incentives to both performance and how it is achieved. Incentives based on the way people lead give you room to steer behavior towards your transformation goals. It creates an organization that is ready for change.

Incentivize long-term behavior with equity grants aligned to the values of your company. Be transparent about rewards so that everyone knows that the way to compensation and progression is living those values.

Follow up on change

Use consistent feedback sessions to get a feel for whether people are understanding the need for change or not.

Are they changing their schedules and how they deploy themselves based on the conversations you are having? Are they participating fully in horizontal conversations with their peers? Are they willing to let someone go who has been identified as one of the strongest performers in the organization?

Measure human resources

Understand your employees as well as you understand your customers. The same level of data collection and analytics used in marketing and finance should be applied to human resources.

Current tools can collect and analyze information that is statistically significant down to a 10- to 15-person management unit. They can help you quickly spot disparities and course correct in time.

“You're doing all kinds of things to get reads on consumers and to segment consumers and understand where they are and where your brand fits and where other people's brands fit. You have to do the same thing on the HR side.”

- Clarence Otis

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Members participate in virtual meetings to gain insights, approaches, and tools to tackle their most pressing leadership and business challenges, while also developing valuable peer networks for the future - all to accelerate organizational performance and achieve their business objectives and professional aspirations.

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