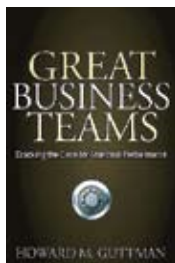


TOP BUSINESS TEAMS

A Lesson Straight from Mars. Realigning its organization provided a sweet payoff for the candy company



In his book Great Business Teams, consultant Howard M. Guttman discusses five steps to greatness. The first phase involves two critical tasks: getting an organization horizontal and aligning teams properly. In this excerpt, Paul Michaels, CEO of Mars Inc., the world's largest candy company, which is rarely written about, discusses the path to proper alignment.

Moving the organizational mountain in a radically different, horizontal direction is not easy, regardless of benefit. Fear of change and widespread initiative fatigue make the status quo very seductive. When Paul Michaels became president of Mars Inc. in 2004, he knew that the company needed to achieve far greater growth and financial return. But he faced internal organizational challenges every bit as daunting as those he faced in the marketplace. The top team at Mars was siloed and replete with unspoken agendas. Members did not see the benefit of working as a team; they were only concerned with the success of their own region. There was some infighting, but mostly people just left one another alone. Michaels believed that the high-performance, horizontal model represented the best bet for the future. To drive his vision through his organization, he first created a "burning platform" for the change, which centered on business issues; he then shrewdly hooked his vision into Mars' core values.

He explains: "Mars has five guiding principles, one of which is efficiency, and high-performing teams are by far the most efficient way of operating ... By using this process, teams quickly begin having authentic conversations, in real time: dealing with issues and not dancing around them. You see the impact quickly; people either step up or opt out. It becomes very evident where your issues are, who your players are, what you need to do to change the shape of the business. This model can speed up progress in these areas by years."

Michaels had been creating great business teams within a horizontal organizational setting for years. His colleagues were well aware that in previous positions at Mars he had moved brand teams [e.g., Snickers, M&M's] and the Americas team to the high-performance, horizontal model. He had will-

ingly given those teams more responsibility and power, so his new team knew he was coming from a place of respect for company values—and a solid track record of results. Past experience had taught Michaels that functional thinking and hidden agendas are classic behaviors exhibited by non-high-performing teams. More than a "burning platform" was needed to counter-act old habits and the natural tendency toward standpatism. Michaels' solution was to take his team through an "alignment"—an essential step in the transformation process to great business teams.

This is where the leader-visionary evolves into the leader-architect. *Alignment* is one of those buzz words that come loaded with baggage. To some it conjures up a mechanistic world: alignment is what mechanics do to an automobile when the

steering is out of whack. But alignment also evokes images of living organisms, as when a chiropractor aligns the body, readjusting the skeletal system to restore it to better balance and integration. The alignment of teams and organizations has more to do with the human side of the term than with its mechanistic counterpart.

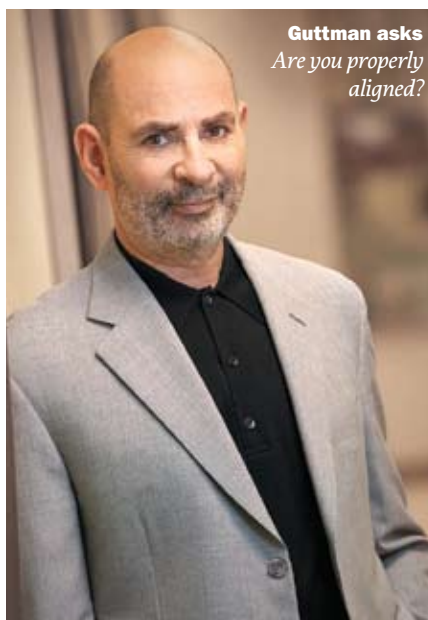
When an organization is properly aligned, its parts move in sync to achieve results. There is a straight line of sight that goes from the organization's strategy to its customers. Scarce human, financial and capital resources are deployed along that line of sight, so value gets created and added quickly, consistently and cost effectively. This makes the aligned organization fiercely competitive and an ultimate high-performance entity. And you cannot have an aligned organization without aligned teams. For an organization to raise its level of performance, every team, on every level, must be a great team. That is to say, it must be aligned, or in sync, in five key areas: 1. Business strategy 2. Business deliverables coming from the strategy 3. Roles and responsibilities at individual and business-unit or functional levels 4. Protocols, or ground rules, for decision-making and conflict resolution 5. Business/interpersonal relationships and interdependencies.

The alignment process is the foundation for building those performance-based, leader-player relationships that characterize the high-performance teams. A team alignment is an opportunity for collective deep-think and re-evaluation and for the leader and his or her team to establish the blueprint for high performance. In Michaels' case, his team spent two intensive days in heated discussions about what they needed to accomplish, who was responsible for what and who had the authority to make which decisions. They called one another out on unacceptable interpersonal behavior: failure to share information, lack of follow-through, riding roughshod over others, unilateral decision-making, backbiting and subterfuge. Michaels made it clear that he expected to be treated like every other member of the team. He wanted direct feedback and insisted on being held accountable for commitments and results. By the end of the two days, Michaels' team was on its way to becoming great. ■

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'The top team at Mars was siloed and replete with unspoken agendas. Members did not see the benefit of working together as a team.'

—HOWARD M. GUTTMAN



Guttman asks
Are you properly aligned?

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