

How do you help a group of talented, senior executive directors in a top business become a world-class leadership team?

*This challenge was faced by consultants **Virginia Merritt** and **Tony Page** in a major assignment with Edexcel. The answer lies with a clear role and purpose, a watchful eye and practical tools to sharpen their decision-making – including a golden thread.*

Making the Grade: Developing the Executive Team at Edexcel

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Edexcel is a UK-based business that is the leading provider of internationally recognised qualifications. Each year, it delivers nearly 10 million exam scripts to two million learners, working with more than 25,000 schools, colleges and employers in over 80 countries. Simply getting people the right results in a way that is accurate, fair and timely can be a demanding test.

In 2005, Edexcel became wholly owned by Pearson, an international media company with market-leading businesses in education, business information and consumer publishing. After surviving a major crisis the next big challenge faced by Chief Executive Jerry Jarvis was how best to realise Edexcel's greater potential. This required a new level of coordination at the very top of the business with executives working as a team, rather than as a collection of talented individuals.

This paper briefly describes a structured development programme commissioned by Edexcel for its Executive Board. In the words of its **Chief Executive, Jerry Jarvis**:

"The impact of this structured programme has been enormous, particularly in bringing purpose, focus and discipline to the way we work together as a leadership team. If I had to put a hard value on what

it has helped us achieve in terms of increased pace and productivity, it's probably worth millions to the business."

The Need: Strong Leadership but Different

Despite having achieved a market-leading position, Edexcel faced several new commercial challenges. These included: intensifying competition and a squeeze on prices; certain risks inherent in valuable, high-profile contracts; and changes in buying patterns bringing the need for stronger customer relationships and greater empathy.

A Board of Directors is elected by the owners with a statutory responsibility to govern. A Board becomes a "leadership team" when its decisions and strategies are experienced as coherent and worth following. Then the Board realises its power and unlocks the energies of staff. This fuels a rising spiral of confidence and trust producing clearer alignment and higher performance.

In Edexcel it was time to replace a micro-managing mindset that had enabled Edexcel to survive a reputation-threatening delivery crisis with leadership that was strong in a different way. Firstly to be less in crisis mode and more long term.

Secondly to be more unified: a 'silo' mentality with executives focusing on their own areas must give way to collective decisions based on a shared sense of purpose. Thirdly to be less centralised and more reaching out through staff to engage customers.

The Solution: Developing the Executive Team

To address the leadership challenges, Merritt and Page worked closely with the nine directors in the executive board. At an early stage each director completed a leadership team effectiveness survey. This assessed team members' views of their:

- Decision-making
- Strategic focus
- Team spirit
- Leadership and people skills
- Courage in communicating externally

For each of these issues the leaders were asked two simple questions: what is the situation now? How should it be? The results were then aggregated to give an overview for the whole executive team. This helped clarify their situation.

The team assessment revealed a performance gap which when explored in a coaching session with each individual uncovered frustration and difficulty with the behaviour of colleagues. The coaching also served to set the objectives for three development workshops with the executive team.

A distinctive approach to these workshops grew out of an appetite and certain reservations these nine seasoned senior executives brought to the programme: they did want to improve their performance as a leadership team but they did not want to be "trained" or patronised. They needed to act together with cabinet responsibility, as role models, staying on message, living the values.

Merritt and Page designed the workshops as a series of working sessions or "tasks". After the first task entitled "define your purpose as an executive board", the team was asked to set an agenda of four priority issues to resolve. A different member chaired each issue and after concluding with a decision, there was a review of the quality of the output and how this had been produced, in order to identify ways to improve. This brought feedback enabling each person to fine-tune their behaviour, plus new practical techniques and agreed upon ways of working.

As might be expected of a team of talented and driven individuals, discipline was a big challenge: talking was more evident than listening, commendable energy and passion caused the subject to jump and drift. Merritt and Page provided a process enabling the team to steer and police its own discussions. This simple method, known as the "golden thread" comprises five stages.

The "Golden Thread" at Work

What happens in each stage ...and what are the results?

1. FRAME – the chair person briefly introduces the issue, setting it in context and explaining why it is a problem or opportunity.

The result: members understand the issue and their colleague's viewpoints.

2. OPEN – each team member in turn takes up to two minutes sharing their initial thoughts and asking relevant questions.

The result: colleagues listen in silence, noting any points that they wish to explore.

3. EXPLORE – each team member summarises what they have heard then asks a question or chooses a point to build upon

The result: the conversation deepens with underlying issues, dilemmas and choices unearthed and feelings better understood. This often produces new insights.

4. CLOSE – each member takes up to one minute to share their conclusions and suggest a next step.

The result: members' views align towards an agreed direction.

5. STICK – the chair person summarises the views expressed and indicates the best way forward. Members agree exactly what they will do and by when, as well as a common message.

The result: decisions agreed and supported with cabinet responsibility and joined-up behaviour.

The golden thread recognises the need to build alignment amongst executives through enabling them to contribute together to each stage of the issue raising and decision-making process then to commit to implementing their decisions.

It is only human nature sometimes for executives to lose the thread and this results in frustration, a

decline in productivity, a haphazard approach to implementing the decision, subsequent disappointment in the results and loss of trust.

As well as benefiting the top executive team, the golden thread has another advantage: it can be used by any team or group with an issue to explore and a decision to reach. A fact that was not lost on executive team members at Edexcel.

The Results: Lasting Impact That Spreads Wider

The golden thread produced a series of valuable benefits – some tactical and specific to a particular topic (for example developing an agreed approach to a forthcoming meeting with the parent company Pearson). Other benefits spread out to improve every subsequent discussion, combining the strengths of individuals in new habits which raise the game for example, one director put it like this: *“So many times here I have thought I have the answer but a better answer came out of the process together”*.

The executive team gained a simple but powerful technique that took the team members’ trust to new levels: *“I’m impressed at the level of honesty and openness that is developing between us. Some of us have come to see each other quite differently. We have driven ourselves forward so much here!”*

The impact of the programme was recognised more widely in the business, with gains to the Employee Engagement Index and a senior member of staff commenting: *“Since you went away together you have been completely transformed. You are just so much better: working as a team, united, and this makes me feel motivated and completely different”*.

Jerry Jarvis the Chief Executive is upbeat saying this was *“transformational, giving us a sense of purpose and renewal”*. As a result the team can now *“get through a huge amount of decision-making really quickly. Now it is important that key people who work with us understand how we need to operate to achieve this”*.

After the shift in the leadership team’s way of working the impact spread outwards through their 1200 staff to millions of customers and users. For example a big end of year showcasing event for customers, instead of being micro-managed as usual from the top, was designed and by Edexcel staff.

This produced a huge “wow factor” and a strong signal from a newly confident and united company.

Twelve months after the programme Jerry reported his team is still using “the system”. The process helped to build trust, understanding and accountability between team members and more widely across the business.

How would the consultants sum it up?

“They understood what mattered was not simply the topic under discussion, but two other vital issues: the quality of the dialogue and the way that people interacted”.

Virginia Merritt, Managing Partner, Stanton Marris

“This team leapt forward in productivity and performance as have other leadership teams when they applied the discipline of the golden thread”.

Tony Page, independent leadership consultant

Key Questions

How strong is your top team? Where could they improve – and how? Consider the following issues:

- Decision-making: time to reach a decision? Ease of implementing? Does it stick or come apart?
- Focus: Is energy focused in the right places? How effective is the talking, listening and exploration?
- Team spirit: How coherent, trusting and confident are members in the performance of the team?
- Leadership internally: How well do they lead the workforce, united in cabinet responsibility, while listening and setting priorities?
- Communicating externally: How confident, clear and consistent are team members in taking their message externally?

The Executive Team Development Programme includes three elements:

1. Assessment – executives review their collective skills and highlight areas for development.
2. Coaching – individuals review their impacts on colleagues and adjust their contributions accordingly.
3. Development workshops – the team clarifies its purpose then sets its own agenda of real work topics and works to raise the effectiveness and efficiency of each discussion. The coaches bring tools, feedback and a watchful eye.