

Managing Executive Team Dynamics: Strategies for CEOs

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A high-performing executive team is a significant organizational asset, accelerating execution by improving both strategic and operational decision-making. All too often, though, an executive team may struggle to achieve effectiveness, much less high performance. It must confront the organization's most complex issues while being highly visible – there is, quite literally, nowhere to hide. When the executive team is not aligned, the impact quickly becomes apparent to other leaders and negatively impacts its performance.

Fortunately, there are many things a CEO can and should do to foster alignment on the executive team.

- Articulate a shared ambition—a reason for the team to exist that will result in better mission delivery and stronger strategy execution.
- Identify the team's collective priorities that will drive that ambition – above and beyond each executive's "day job" – and make sure your team spends its precious time on those priorities.
- Actively engage the team to refine your perspective on the team's ambition and collective priorities. The outcome will be stronger, and the team will be more aligned around what is, in essence, a team charter.
- Finalize that charter by working with the team to clarify norms: how all team members (including yourself) behave with one another and how they get the work done.

All of these things are necessary for outstanding team performance but they are, unfortunately, insufficient. At the end of the day, an executive team is made up of people: wonderful, flawed humans in all their messy glory. To truly create and foster executive team performance, you must take on the challenge of having the right people on your team.

Part of having the right people on your executive team is about skillsets: does your team have the skills and experiences needed to do its collective work? If your strategy requires a digital-first focus, do you have at least one individual with the expertise to advise the team in that area? If you don't, you'll need to get it (through promotion, executive search, or bringing on an interim leader with the experience the team needs).

Ensuring the right skillsets on the team takes energy but tends to be less emotionally laden than managing the dynamics within the team itself. The collective personalities, preferences, and interactions within the team can either accelerate performance or derail it completely, and effectively managing them to drive performance can be exhausting and quite time-consuming.

In our experience, taking on this task is one of the hardest things for CEOs to tackle. Here are some of the dynamics we see most frequently, along with tips for managing them.

Harmony Over Discord: The Danger of Complacency

In newly formed and long-tenured teams, it's easy to believe the team is high-performing simply because there is internal harmony. This "everything is fine" mentality occurs when teams mistake agreement and mutual support for actual effectiveness. Team members may avoid broader organizational issues, focusing instead on maintaining internal cohesion. While harmony can be a strength, teams must move beyond surface-level agreement for real work to be addressed effectively. Engaging in these types of discussions is challenging and often a catalyst for conflict, which is why some teams avoid them.

To help your team move beyond avoidant or complacent harmony:

- Ensure the team engages in constructive dialogue to assess actual performance versus assumed performance. If needed, help them identify objective indicators driving organizational results.
- Establish clear functional and organizational metrics that align the team's work with the organization's strategic direction and frequently review these metrics.
- Verify that work is progressing as needed and that the team proactively considers any unforeseen challenges or obstacles that could impede future progress.
- Establish team norms that reinforce questions and thoughtful disagreement that leads to higher-quality discussions. For some teams, this may require you to model how to respectfully challenge or disagree without a negative impact on team harmony.

Power Plays: When Competition Undermines Collaboration

Finite resources and competing priorities naturally create tension in an executive team. When managed well, this tension can lead to high-quality decisions. However, problems arise when team members prioritize personal agendas over collective success. This creates

an environment where power plays become the rule, resulting in individuals aligning with dominant team members to push their agendas in the hope of obtaining support for their initiatives. The team becomes fractured, competing for resources rather than working collaboratively for the organization's benefit, causing some functions to benefit at the expense of others. These power struggles also divert focus from the broader mission and can lead to deep fractures within the team.

To address this dynamic,

- Stay vigilant, as these dynamics often happen behind the scenes.
- Privately gather feedback from team members, creating a safe space for them to share any concerns about the team's interaction.
- Incorporate healthy skepticism and rigorously assess the team's progress and who is actually driving the work.
- Create team metrics that lead to enterprise results to reinforce the value of collective effort over individual contributions.
- Pay attention to who dominates discussions and makes decisions regarding resource allocation. Also, consider how the team manages these individuals and whether they defer to the dominant member or challenge their decisions.

Ambition Gone Awry: When Members Get Toxic

Executive teams often consist of highly ambitious, achievement-focused, and status-driven individuals. This team composition can help drive results; however, it frequently leads to political maneuvering that can significantly derail the team, creating silos or fiefdoms that hinder organizational collaboration. Overly ambitious executives who feel their influence slipping may resort to aggressive or hostile tactics, such as undermining colleagues' initiatives to maintain status, taking control of limited resources, or overtly attacking others and questioning their competence, all to maintain prominence. Out of self-preservation, some

team members take sides while others disengage entirely. Trust erodes when this disruptive behavior goes unchecked, and team members focus more on protecting themselves than organizational priorities. Once a team reaches this level of dysfunction, reversing course is an enormous challenge.

To disrupt this dynamic,

- Listen to team members who consistently express concerns regarding one of their peers. These concerns are a red flag and warrant your attention.
- Gather specific data regarding the toxic or aggressive behavior and its impact on the team's overall functioning. Avoid being seduced by the individual results the member delivers and focus more on the collective output of the team and its impact on enterprise performance.
- Provide direct and timely feedback to the problematic individual and expectations for behavior change. If their behavior doesn't change, remove the team member from the executive team.
- Re-engage the team around a shared purpose and team contributions. Seek agreement regarding expected team behaviors, particularly regarding respect, collaboration, transparency, and the team's overall performance
- Remain patient once you've acted to change team composition and re-establish norms; building back trust within the team after removing a toxic member takes time.

Groupthink and Stagnation: A Team Past Its Prime

Ideally, a high-performing team is built on strong relationships, mutual respect, and a deep understanding of each other's strengths and contributions. This cohesion often emerges after a team has worked together for a significant amount of time, developing discipline and delivering consistent value to the organization. However, over time, even the most cohesive teams can face challenges that limit their effectiveness,

and long-term familiarity can lead to stagnation, resistance to change, and a culture of unquestioned agreement. When team members rely too heavily on historical trust and shared experiences, they stop critically evaluating ideas, leading to complacency and a lack of innovation. Assumptions replace inquiry, and validating ideas, data, or solutions doesn't occur. The result is a team that risks becoming irrelevant, unable to adapt to new challenges or contribute fresh solutions.

To prevent stagnation and maintain relevance, consider these strategies:

- Introduce new team members or rotate responsibilities to bring fresh energy and new perspectives to old ideas. Diversity of thought can break the cycle of overly familiar patterns and encourage creative problem-solving.
- Monitor team performance and progress closely. Introduce new challenges that push the team to think differently and expand their capabilities, raising the bar for both individual and collective contributions.
- Address the potential for complacency with the team. Share observations and provide development opportunities to help members adapt to new realities. Regular feedback loops regarding team observations and development progress can reestablish a commitment to the work and promote a culture of continuous improvement.
- Evaluate whether the current team configuration aligns with needed roles to ensure the team remains dynamic, relevant, and aligned with organizational goals. Also, consider that you may have some members who no longer fit the requirements of the executive team despite the support and development you have provided.

Creating and maintaining a high-performing executive team requires more than assembling skilled individuals; the CEO must also actively manage team dynamics, align the group to a shared vision, and address internal conflicts while navigating organizational challenges.

By fostering open communication, addressing power struggles, and continuously refining the team's structure and focus, the CEO can keep their executive team engaged, innovative, and committed to driving organizational success. This challenging endeavor is well worth the effort, resulting in a stronger executive team more energized and capable of rising to the challenges of leading in today's ever-changing complex world.