



Emotional Capacity Aids in Organizational Effectiveness

By: John Pepin

Individual and team skills do not alone ensure Senior Management Teams (SMTs) are able to effectively achieve corporate strategic goals.

To turn business ideas into results, SMTs should have high levels of emotional competency both as individual members of the team and as a group.

This article explores how a specific not-for-profit SMT achieved emotional competency levels that enhanced performance as a team while reinforcing innovation.

THE CONTEXT

Within the context of social entrepreneurialism, non-traditional association sources of revenue may be categorized as follows:

- **Corporate strategic giving** with funding and resources seen as an investment, a collaboration to achieve corporate business aims.
- **Venture philanthropy**, human resources and funding invested in the not-for-profit by corporate entrepreneurs in search of a social return on their investment.
- **Commercial Ventures**, associations alone or in partnership with the corporate sector, venture capitalists or venture philanthropists.

In my firm's work with not-for-profit organizations, we found that an association must be systematic to achieve its revenue diversification goals, an approach that helps to decrease risk. Our approach consists of an organization:

- Identifying its need and purpose of achieving alternative sources of revenue.
- Preparing the organization for a commercial approach to business-type ventures, including identifying inhibitors and developing policies and plans to ready the organization and protect core services and programs.
- Implementing a creative product development approach including creation, screening, business planning, design, testing, launch, evaluation and revision.

To prepare organizationally, many issues must be resolved, strategic and business plans developed, and competencies put in place. These include SMT developing the capacity and means to create and take advantage of opportunities.

A significant element is enhancing SMT capacity, as a team, to work more effectively by learning how to interact with emotional confidence.

BUILDING EMOTIONAL CONFIDENCE

It is generally recognized that teams, to be effective, must have trust among its members, a common culture, and success attaining common results. This leads to active involvement in the team, greater efficiency and effectiveness, creative decision-making, and the successful development and achievement of group and organizational objectives.

To do so, emotional capacity must exist within individuals as well as in the team.

Key elements include:

1. Individual team member awareness of selves and others in the group.
2. The group understanding itself vis-à-vis its capacity and effectiveness as a group and with others.

In order to achieve the above, SMT should:

- Get to know each other and demonstrate interest in each other.
- Have fun together.
- Listen, discuss, problem solve and confront when individual behavior is non-functional.
- Evaluate team efficiency and effectiveness on a regular basis, the evaluation based on:
 - Team norms and expectations as expressed in a code of conduct or in a statement of team and organizational values.
 - Performance goals created by the group and as expressed in the organization's strategic and business plans.
- Assess, on a regular basis, issues, concerns and needs of others within the organization and with external stakeholders.

By doing so, a group of individuals moves beyond being a task and/or internal communication group to that of a team being mutually and individually accountable as leaders of the organization.

AN APPLICATION

I recently worked with the SMT of a national organization, the members successfully achieving higher levels of emotional competency as a group and team.

Issues

The SMT had changed recently with new members added over the past year. This, in addition to significant organizational change over the past few years along with the extensive entrepreneurial activities of management, lead to a need for the team to reconnect, refocus and coalesce.

Interviews

The first step was to interview SMT members. The confidential interview allowed me to achieve an understanding of their issues, emotions and interrelationships.

The interview covered:

- Issues with the strategic and business planning process.
- Team functioning related to clarity of goals, openness, trust, cooperation, conflict decision-making, review, leadership styles, and development opportunities.
- Team interaction and team building dimensions such as how decisions are made, support levels, communication, honesty, evaluation of meetings, clarity of purpose, and acceptance of failure and learning from mistakes.
- Interviewee purpose and objectives for the retreat and ideas on how the retreat should be conducted.

The Retreat

The purpose of the two-day retreat was to:

- Connect, mutually support, inspire, nourish and have fun.
- Enhance communication and working relationships/approaches.
- Establish a clear vision, purpose and role for the SMT.
- Identify issues and barriers to achievement of the team's vision.
- Develop solutions and performance goals.

After refinement of the purpose and commitment to it, group members began to get to know each other, learning about each other's family, education and career. These discussions included facts, timelines, contributions, high points and challenges, personal learnings, decisions and aspirations. As each story was told, in a manner unique to the SMT member, group members began to gain a better understanding of each other. Trust was tested and began to be established.

This was followed by a discussion of personal values and beliefs and an assessment of whether they existed at work and in the strategic and business plans. Consensus was achieved with clarity of values being the base for further building of the team.

The next step consisted of an articulation of hopes and aspirations for the team

followed by a discussion of the vision, purpose and role of the SMT, and the type of team group members desired.

Barriers were openly discussed, plans developed and agreed upon. By this time the group had:

- Fine-tuned its emotional capacity with individual team members expressing openly awareness of themselves and others in the group.
- Understood itself vis-à-vis its capacity and effectiveness as a group and with other groups.
- Committed to being entrepreneurial as a group.

Many organizational issues were openly discussed including the pace and type of change, communication, and new developments.

The retreat ended with consensus on a way forward with specific responsibilities and timelines. These included:

- Decisions concerning the purpose, timing and content of SMT meetings.
- Writing a code of practice for SMT.
- Developing plans to enhance communication within the SMT and with external stakeholders.
- Creating performance measures and evaluation mechanisms.
- Planning for SMT training and development needs.
- Facilitator follow-up and mentoring including attendance at the first SMT meeting, re-interviewing each member in six months, and supporting the SMT meeting in twelve months to review progress building towards next steps.
- Preparing a communication piece to staff and volunteers about the success of the SMT retreat.

FOLLOW-UP

Follow-up, mentoring, and periodic evaluation are essential to supporting team efforts.

Over the next year the following took place to reinforce decisions made by the team.

1. The consultant attended a number of SMT meetings observing, facilitating parts of the meeting dealing with controversial issues and providing feedback on the meeting.
2. Around the sixth month each member of the team was interviewed reviewing actions and success to date. A report was prepared, presented to SMT, discussed with the group deciding upon further steps and actions.

3. Throughout the year individual mentoring was provided to key managers to help them through the change process and also, more importantly, to assist with cascading new management and team styles with their own teams.

4. A second two day session was held twelve months later following a process similar to the first session but with more emphasis on integrating new members of the SMT into the process as well as on specific problem solving.

SUMMARY

The summary is best contained in the evaluation of the SMT retreat by the group.

Team members expressed delight for the two days, feeling that they were closer to each other, understanding each other and how to relate and work together. They learned from each other, creating team cohesion, committing to a way forward. There was a new level of trust and respect. A new and more team-oriented way of working was established.

Most importantly, the SMT was able to make the important and difficult strategic decisions around their alternative revenue strategy during the following year. This exercise was a factor in the organization being able to improve its future performance.

This article was originally published in Association Magazine in January 2003