PRAESTA

LEADING VIRTUAL TEAMS

Living with Contradiction and Uncertainty

Praesta is an international firm of business coaches. We coach senior leaders including CEOs, main board directors, management team members and other key senior executives. Praesta clients comprise several hundred organisations in the private, public and voluntary sectors, including major companies, government departments, private equity owned businesses, leading professional services firms and all areas of financial services.

All Praesta coaches have had senior level business careers – many were Board members, CEOs, partners, or managing directors of major organisations in their first careers. Thorough training, continual professional development and regular supervision are integral to maintaining high standards. As well as one-to-one coaching, Praesta coaches work with teams, conduct board effectiveness reviews and are leaders in working with executive women and job-sharers.

Praesta Insights pull together ideas and experience about topical leadership issues in an accessible and digestible way. We work closely with leaders in different spheres on thought leadership. This publication has been researched and written by Praesta coaches Jane Upton and Mark Powell.

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Introduction

Much has changed in the way that business teams operate.

We spoke with over 30 senior leaders and executive coaching colleagues across 8 countries, to find out how they and their clients have experienced the shift to remote working in a period of contradiction and uncertainty. It is clear that there is no simple answer to these challenges. Rather, on many issues, leaders are navigating along a continuum between conflicting polarities, where both are important but neither provides a total solution. Through this series of tensions new thinking and experimentation is also emerging.

This booklet highlights these nine key tensions that have come out of many hours of conversation, showing what has worked with remote team leadership and where the challenges remain.

Our conversations have focused on senior teams rather than individuals or organisations as we believe that most operate through team structures – formally or informally - and we also believe that the contradictions are most apparent at team level.

We have used the notion of contradictions to help leaders and their teams understand how they are currently confronting the challenges they face and how they may want to change in the future. We are grateful to everyone who took the time to share their experiences with us.

The headlines from our research

Three overriding issues that emerged, which run like threads through all the others:

Holding contradictions and uncertainty. Many leaders we spoke to are aware of the increasing complexity of their businesses and of the world. They will need to navigate these contradictions and uncertainty, then work with their teams to find a way forward together. This may require significant personal development for senior leaders and for their teams.

Trust. Time and again leaders expressed how much trust contributes to success. For many reasons it can be hard to achieve, and now even more so where remote working sacrifices the personal contact that helps to weave the fabric of relationships. However, it is, and will continue to be, an essential element of leadership.

Communication. In these times of stress and uncertainty people are seeking more and better communication. This means that leaders are having to listen better and share more information more regularly. They also have to dedicate the time and develop the patience to engage meaningfully with their teams. Genuine, deep listening skills will be required at all levels in the organisation.

The nine tensions

Gains vs Losses

As with all change, implications are never all good or all bad and in this environment of disruption it has become even more critical for leaders and their teams to start thinking about trade-offs and tensions. Many people naturally focus on the losses, however, we believe that acknowledging the gains is an important step towards creating the future.

People have lost the energetic connection of face-to-face contact with their colleagues, however, many have spent considerably more time with family. In some cases stricter decision-making protocols have been imposed and also many people now have greater freedom to manage their own time. Teams have lent on the knowledge of some of their experts and yet many experts are also floundering with the complexity of the change.

Some teams have reported being pleasantly surprised by their own adaptability, and also somewhat confused about what the implications are for their role in the future business and the team. Executives report that they largely enjoy the more relaxed work style and the saving of travel time to the office, whilst they also find that it is hard to draw boundaries on time and availability. Many executives have re-discovered physical exercise. Some have also experienced mild to moderate mental health stresses.

Equally, nobody can ignore the suffering and mental anguish that some people have experienced in this new virtual world and many of those challenges will continue. Whilst we do not directly address these issues in this publication, they will naturally run alongside all the points that we discuss.

> **"**A good thing that has come out of this is that it has generated more energised teams as they realise that they really are empowered.**"**
>
> **Founder & Chairman, Consultancy**

KEY QUESTIONS:

How can you reframe your gains and losses to create a future pathway?

How mindful are you of the different experiences in your team?

Empowering vs Directing

Some senior teams have led the dramatic redirection of their business, products or services to accommodate the new demands of customers and consumers. There are multiple stories including fashion companies making masks and a gin distillery making sanitiser. There has also been a massive shift to virtual processes, such as hospitals and medical clinics now operating through telehealth services.

Leadership teams are facing into a really tough, almost existential, challenge of how bold to be at a time where there is a natural temptation to protect oneself, existing roles and proven team structures. The courageous team will need to acknowledge this natural resistance to bold change, then put it to one side whilst they consider a range of issues that are business-critical in this moment of crisis. These include: what data points should they be collecting; new consumer buying trends; the reshaping of supply chains; changes in their clients' needs; a radical overhaul of service offering; revenue modelling and distribution; and operating practices.

Mirroring this external challenge (expanding or protecting) is the equivalent internal contradiction of empowering and yet also directing the business.

> **"I needed to work out quickly how to trust and empower. I can't do the checks and balances as before. I have to allow decision-making within a framework, giving freedom to explore and make mistakes."**
>
> **CEO, Healthcare**

This CEO of a frontline healthcare organisation was faced with the imperative of responding with agility to the crisis, which literally meant life or death for his patients. He described the choice he faced: he either had to take a leap of (considered) faith with his team or fail. He simply could not do it all alone nor become the bottleneck of decision-making.

Some leaders we spoke to took the "delegate and trust" path, as this CEO did, focusing on clear accountability and boundaries for decision-making, then letting his teams get on with the job.

The alternative approach of leaders being more directive and detailed was also successful for some of them, particularly where they were confronting a few defined problems with clear paths. These leaders spoke about how they gained in reassurance and focus, although this was sometimes at the cost of speed and creativity.

In other cases, building pace has been imperative. One team leader from a public enterprise told us that they had delivered 15 projects in five weeks. That work would previously have taken years to complete.

The burning platforms have been real and have energised many to work with a new intensity.

KEY QUESTIONS:

What bold moves are you not making that you perhaps could consider?

Where do you as a leader need governance and where can you release more decision making through delegation?

How will you maintain the balance of urgency, wellbeing and a positive culture, particularly in the face of existential fears about the future?

Broad, Flexible Teams vs Core Team

What seems to be emerging is an opportunity to re-think the current organisational structure of teams, both in terms of what teams are needed and then who should be in them.

Some organisations are using a small number of core teams to focus on strategy, product and innovation as a way of addressing the challenges of the changing market.

We have also seen an accelerated trend to create project teams, many of which can expect to be short-lived and dynamic, leaning into agile practices.

In both these scenarios (core and project teams) the challenges of team leadership are magnified in a remote environment. The core teams may be efficient but they are inherently exclusive. Those people who are outside the team contribute little or nothing to decisions, which reduces their buy-in and can create a sense of disconnection from the organisation. Agile or project teams demand from people flexibility, quick adjustments, and a willingness to move between roles. This is already difficult for many people and having to do it remotely is increasing levels of uncertainty and straining relationships.

High performance leaders and team members will need to have well developed interpersonal skills to be able to cultivate productive team dynamics. Whilst speed and adaptability will become even more critical, so will patience, listening and respect for diversity.

We have also been told of situations where hierarchical structures with their traditional reporting processes have been rapidly dismantled to form teams with delegated decision making. In these teams everyone owns the project, bureaucracy is minimal, and engagement, creativity and results have increased. Reporting is now focused on a few key metrics and other regular reporting has been discarded where it was found to have little impact.

Other leaders, who prefer to have a higher level of control, have concentrated decision-making into an inner circle of trusted colleagues. This has helped them navigate through the initial period of disruption when they had confidence in the judgement of the inner team. Many have reported success, even commercial survival, and felt that they had strengthened their ties with their colleagues. The question is whether this way of working is sustainable as they now face the inevitable exhaustion of the inner team and disconnection of the broader team. These leaders are having to consider how they access the collective intelligence in their organisations for the future.

Whilst remote working can be isolating, one CEO moved quickly to adapt her teams. She had purposefully orchestrated new practices, was first introduced that days earlier would have been resisted. It resulted in people being brought into conversations because of what they could contribute rather than the position they held.

> **"A change programme that would have taken me nine months to implement has happened in a few weeks."**
>
> **CEO, Professional Association**

KEY QUESTIONS:

How are you challenging the team to restructure themselves creatively?

What framework and processes will support effective, agile project teams?

Purpose vs Task

Many team leaders have wrestled with how to create clarity out of uncertainty, needing to instil hope, energy and direction without oversimplifying the complexity of the new realities. They wanted to be clear about intention whilst allowing for flexibility in working structures.

Some leaders spoke more philosophically about the loss of solid ground and the desire for a "new normal to arrive", wanting some certainty and hoping to be able to return to previous ways of operating. Others recognised that stability can be an illusion as most teams are open systems that always have to respond to their markets and customers, who themselves are finding change unavoidable.

Some have turned to purpose to help with this navigation. Others have focused intently on task.

The tension between following team purpose or pursuing a short term, tactical outcome has been fundamental in shaping both the team experience of the last few months and the team's ability to cope with the change and complexity.

It seems clear that some team leaders get engagement less through purpose and more through an intense, razor sharp focus on a few clear tasks and priorities. This approach gives clarity to everyone in the team and creates the sense of urgency that has been needed to get results. There are certainly success stories from team leaders who have adopted this approach.

The intensity of external events has created a natural focus for many teams. The extent of the existential threat has drawn them towards tactical expediency, which has fuelled action and kept the organisation going. People have been focused and clear. However, we are hearing that they are now beginning to burn out.

The challenge that many of these teams will face is deciding how and when to step back, take perspective and redefine their purpose.

Where teams already had a clear purpose, over and above the achievement of financial targets, leaders tell us that this has helped in two ways: firstly, it has supported them in steering a course during so much uncertainty and, secondly, it has underpinned team motivation and engagement at a time when so many people were feeling disorientated.

Even where executive teams have had to change radically what they do and how they work, we have seen examples of a clear purpose supporting those changes as it provides a framework for their teams to make sense of new initiatives and disruption. Many talked to us of "purposeful conversations", which helped ground people when all around was uncertainty.

Another leader talked of the need to set vision and boundaries and then allow discovery to take place within them.

We have come across two different starting points for teams dealing with greater complexity. One starting point is a focus on purpose and on a positive culture from which

base the team drives performance. The other starting point is one of clear focus on task and milestones, with leaders often relying on burning platforms or "carrots and sticks" to push for results.

Whether through choice or force of circumstances, where a task and milestone approach is prioritised, re-connecting with shared purpose will help to sustain effort and engagement in the time ahead.

KEY QUESTIONS:

What changes could you make to your default style to become more comfortable with complexity?

How can you use purpose to support the engagement and alignment of your team: what is required of you, personally, to lead from purpose?

Open Dialogue vs Transactional Meetings

Both leaders and team members report more efficiency in virtual meetings where the agenda is clear. Yet leaders are also searching for ways to create an environment that encourages innovation, which is essential as businesses adapt to this rapidly changing world.

The casual conversations, unplanned encounters with people outside the immediate team and iterative debate are so much harder to recreate remotely. Yet these are important for random idea generation. Some teams are using apps and sophisticated software that support creative processes; others are planning to use office space differently, to bring people together for a specific purpose in an imaginatively designed environment that feels more relaxed and creative than the old office.

The most consistent views we heard have been those around how well-chaired meetings have become more efficient with participants generally preparing better (it is harder to hide on screen). However, this approach can tilt the balance towards task focus at the expense of deeper debate. The deeper debate is still needed but how and when this is done is still unclear.

One leader distinguished between the different types of conversation and adjusted the rhythm of them accordingly. This leader had meetings for: 1:1 coaching style check in; a social connection with the team; decision-making around critical tasks; ideation sessions for new projects and reporting / update sessions.

Another example we heard about incorporated a playful approach: "The five flat whites and a latte meeting", at the end of which everyone votes on its success. This more informal, collaborative format generated more and better contribution across this team.

> **"** 'The five flat whites and a latte meeting', at the end of which everyone votes on its success. **"**

Business Development Team

Clearly leaders recognise the need to vary meeting constructs and purposes. This may require them to spend more time leading others than getting deep into execution themselves.

KEY QUESTIONS:

How do you as a team bring innovation alive?

What is the new rhythm that you need to create for the different types of online meetings?

Restructure vs Redesign

The most recent conversations we have had with leaders and their coaches point to an emerging tension. Do they simply restructure, or do they redesign their teams and organisations? Where along this continuum does a leader focus their attention? Do they delay or make the cuts now?

"We are starting a full services review. At the same time we are planning more redundancies than we have ever had to make before."

There are many fears now around the economy and medium term survival. These fears start to ignite a deeper existential fear.

We are aware of the recent culling of budgets and people across many sectors including Airlines; Hospitality; Education; Banking and Financial Services; Insurance; Professional Services & Consulting; plus not for profit organisations and many in the arts. This is clearly going to continue.

Whilst cutting cost is always seen as prudent, some people we spoke to are also weighing up the human and community cost. This tension is a big strain for leadership teams and will be present for many months to come.

"The scale and speed of the cutbacks underscore the challenge facing leaders as they recalibrate their approach to limiting the pandemic's damage."

New York Times

KEY QUESTIONS:

Different stakeholder groups will feel the the impact of a restructure: how will that effect future business streams?

What steps can be taken to reduce costs in a way that accommodates human dignity and societal impact in a positive, or at least neutral way?

Blended Conversations vs Work Only Conversations

Communication came through as one of the three overriding issues for leaders and teams. Communication within and between teams has probably seen the biggest change over recent months and presents some of the toughest challenges for the future.

Everyone we spoke to has spent far more time communicating, either to groups or individuals, than they had in the past. Questions arise for them, though, about for how long they will have to continue to make this effort and how they can balance the evident need to keep engagement as well as getting on with the work. The expectation is that it will continue to increase in importance.

There was recognition, albeit sometimes reluctant, that conversation with individual team members requires more time, adaptability and thought than before. Different working and personality styles show up in more obvious ways when working remotely. As a result, leaders are having to engage more deliberately with team members and talk to the whole person rather than just the professional side of them.

For one leader it was simply:

> **"I can't ignore the private life of my team members anymore. How do I accommodate their private life intrusion into workspace?"**

Where leaders have taken the time to connect with people genuinely, they reported an improvement in engagement and productivity. This genuine connection meant taking someone's personal context into account and working with that reality. They found that paying attention fully and listening better, even for just a few minutes, made a real difference.

> **"I connect with people at a different level when we talk about their personal context, it is more human. That is leading to better relationships with our clients."**
>
> **Managing Director, Digital Services**

Remote working has left some people feeling isolated and often fearful as they lose touch with the day-to-day reality of their team and organisation. Some team members are very comfortable with the virtual connection whilst others are desperate to have the personal contact with team leaders and colleagues that they have been missing. Much has been experienced and written about virtual coffees, bingo and regular check-ins at the start of meetings. Forms of personal contact will continue to evolve. What is already clear, though, is that those teams who have little or no personal contact from their leader are beginning to struggle.

The shift to remote, home-based working means that an individual's personal and professional lives are physically integrated. With no separation of spaces, the whole self is at work (and at home). This raises questions regarding expectations of working hours, wellbeing, productivity and, increasingly, monitoring and supervision.

Where there was already a tension between a leader and a team member, the gap can widen with remote working as the small opportunities for bridge-building or relationship development are lost. In one case we heard about, it was clearly damaging to this person's career. Tackling these communication and relationship challenges virtually requires awareness and courage as well as skilful conversations.

Whilst there has been a reported increase in more personal conversations, there has also been an opportunity to present clear and precise organisational messages effectively to a larger audience in much shorter time frames. The virtual space offers the possibility for easy, direct communication with multiple layers of the organisation.

> **"Our town hall is now weekly with 4,000 people attending. Amazing to get this cut through."**

Almost everyone we spoke to mentioned the significant increase in the need to listen deeply and give time to people. This is the level of listening that allows the other person to feel heard and that builds a real human connection. It is not about taking on or solving that person's problems, rather it is about being truly present in the conversation.

One differentiator we found was between leaders who were genuinely interested in and cared for their team members and those who took a more transactional approach. The former were clear in their expectations and flexible about how the work got done. The latter were beginning to get resistance and push-back.

We are also witnessing how infrastructure inequalities have affected communication. Some organisations report making significant investments in home connectivity to enable effective remote working.

KEY QUESTIONS:

How will you accommodate both the working and the personal connection conversations? How will you ensure appropriate boundaries for both?

How are you listening differently?

What skills and attitudes do you need to develop in yourself to become comfortable with this way of working?

Trust vs Compliance

Trust was the third thread that ran through our conversations. At the best of times it can be difficult to quantify trust and in the current situation it is even more nuanced.

We heard about leaders opting to trust individuals and teams to work within some clearly defined parameters (and often with new, rigid protocols). We also heard of teams being involved with finding rapid solutions to big problems, then managing the implementation.

Trusting people to work as effectively as possible at home (under their circumstances) has worked for some, with occasional corrections required where motivation flagged or discipline softened. For other leaders, the desire for some order has produced a variety of control processes from early morning check-in Zooms to the monitoring of online activity.

The debate is raging now about the appropriate level of surveillance. Most importantly, we heard, is how the different approaches affect motivation, and thus performance.

Trust is a two-way street: teams also want to be able to trust their leaders. When they do, motivation and focus both increase.

Some leaders are recognising openly that they are in unchartered waters and and are asking both 'How are we (as an organisation) doing?' and 'How am I doing?' This transparency, especially when the feedback is acted on, is one of the ways that they stay connected to and build trust with the broader team.

KEY QUESTIONS:

How far do you trust your team?

What needs to change for trust to grow between you?

Emerging Leadership vs Traditional Leadership

We asked the coaches and leaders we interviewed for their views about the emerging, adaptive leadership practices and what approaches are becoming important.

Some of the emerging skills that leaders will need to develop will be: managing complexity, including an ability to hold greater contradictions; managing and experimenting with risk; connecting with people and their personal priorities.

Connecting with other people, being able to trust and be trusted and delegating will be very important. Being able to hold a space for innovation and reflective practice is becoming a must have. Combining both "task" and "people" skills are becoming prerequisites for effective leadership, not simply style preferences.

However, leaders with a more traditional style who have been leading successfully in the past, will remain in charge of many teams. So, a core question for the top team is how to get the best out of both styles of leaders? Can some of the traditional leaders excel leading project teams that need a strong

task focus with more directive leadership? Can they operate where their skills in motivating people through more traditional motivation techniques, including carrots and sticks and burning platforms, are still effective? Established leaders bring a rich history and considerable resilience, which can still be an important contribution. They may also bring a patience that will help support the rapid change that will happen around them.

People management on a larger scale will gain in importance as companies and industries are restructured. In this space the combination of emerging and traditional team leadership approaches could be powerful.

KEY QUESTIONS:

What development initiatives are needed to enable you and your team to move between directive and fully affiliative styles of leadership?

How can we develop team leaders to hold the unknown in a positive way?

How can you enable agile working and also allow time for team reflective practice?

Summary

The threads that run through all the nine sets of contradictions that emerged from our research are like spokes that can best considered from a hub that prioritises:
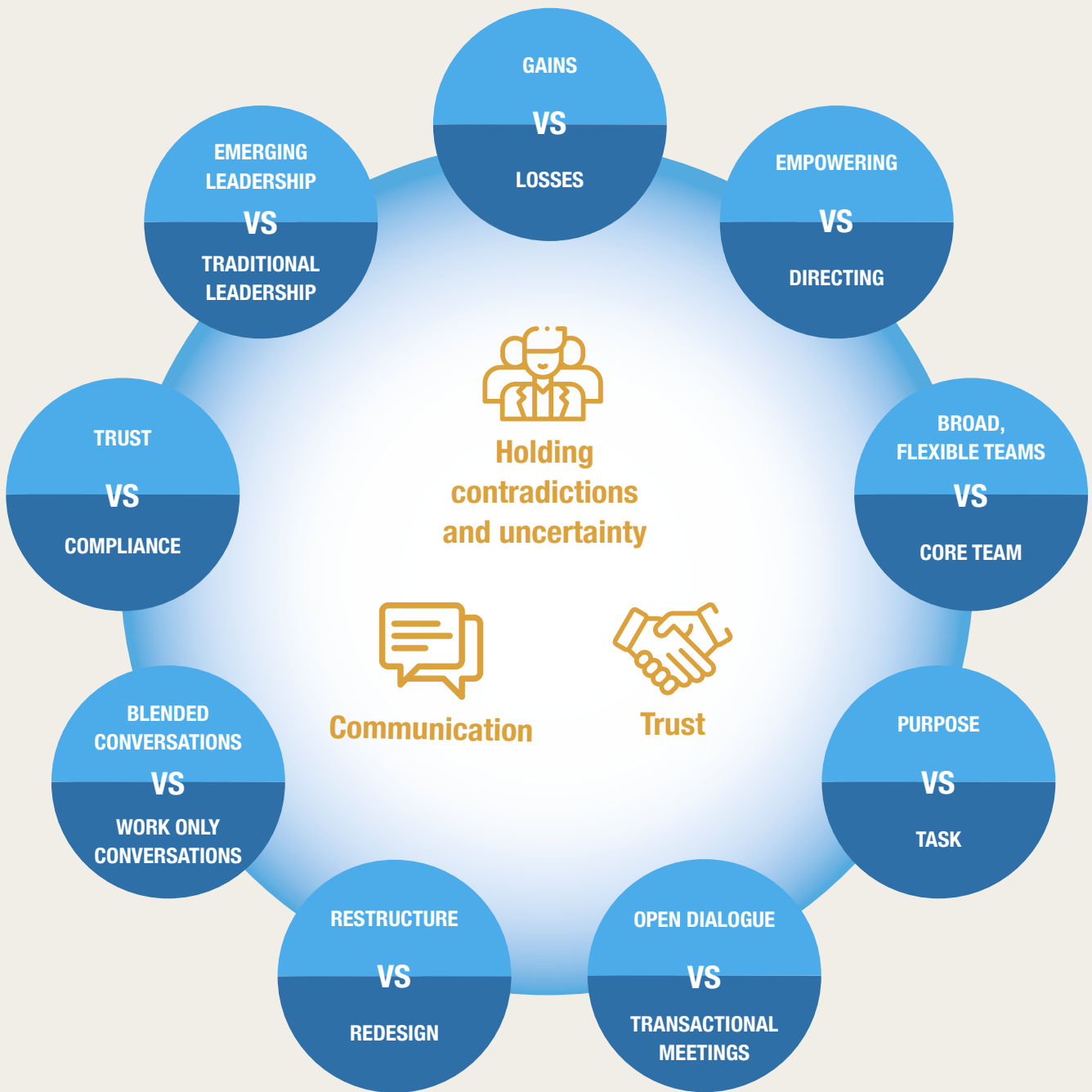
Click on the circles to go back to the relevant pages

Hope for the future, one step at a time

Reflecting on all these tensions can be overwhelming. In truth, nobody we spoke to is doing all of these things. Many are just starting on the path of discovery, experimenting with new ideas, structures and behaviours. The first step, perhaps, is accepting that there is no single right answer: what might be right today may need changing tomorrow. The second step is understanding that leadership is becoming more personal, both in terms of how leaders show up and how they engage with their teams.

By presenting these tensions as a continuum between two extreme positions, we aim to help leaders consider where they are on each of them and where they may need to be. Each leader and each context will define their own priorities, and finding time to reflect on these tensions could make an enormous difference to organisational success. Such reflections are not just about navigating today's challenges, they are also about building longer term resilience.

We know that for many finding time to reflect is not always the easiest thing to do.

How coaching can help

Coaching provides the space and discipline for this reflective practice. Our clients tell us that they value the opportunity to have a confidential conversation where they can start to make sense of their own situation in this complex, uncertain environment. They are able to surface their emotional responses and speak of their hopes and fears out loud.

We are noticing the three key themes we have highlighted are showing up in our coaching conversations:

· How can leaders and their teams rethink the pathway to get the best outcomes, confronting the need to hold contradictions and yet find a way forward.
· How can leaders adjust their communication style to suit the new reality
· How to build even stronger engagement and productivity, through building trust and effective relationships

For many, coaching sessions are a shelter from the storm, a rare opportunity to stop and think. How might you start to build a reflective practice for yourself and your team so that you have the space to talk through competing demands?

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