

Lime knowledge bite

Building a leadership operating system



Lime
THE LIME GROUP





“Businesses do not succeed in a straight line. Business is a process; a rhythm. As leaders dance to that rhythm - planning, analyzing, communicating, refining - the business develops and the vision turns from idea to reality.”

A Leadership Operating System is a framework of forums, shared protocols, and communication and decision flows. It **is the core rhythm of business that drives strategic work forward to achieve a vision.** It enables the leadership team to stay aligned and connected; it promotes transparency in decision-making; and supports the discipline required to deliver consistently.

Leaders 'own' the system and drive the rhythm

Communications and decisions cascade down

Feedback and ideas bubble up

Reduces bureaucracy

Aligns leadership

Empowers people

Improves communication

Accelerates the right action

Leadership Operating System

What is a Leadership Operating System?

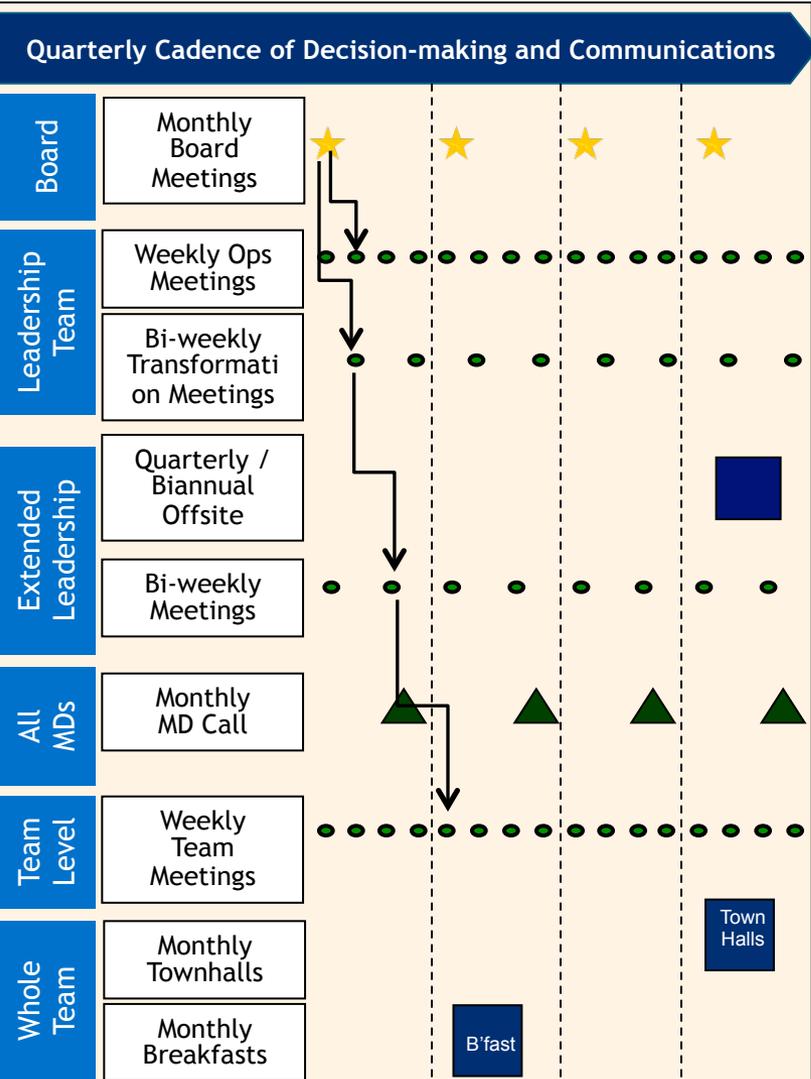
A Leadership Operating System (LOS) is the way in which decisions are made and actions are coordinated across a leadership team. It is made up of:

1. Leadership roles and accountabilities
2. Clear decision rights
3. Core leadership meeting cadence (annual, monthly and weekly)
4. Information flows and communication mechanisms (up, down and across the organisation)
5. Intersection points with key rhythm of business elements

How is LOS different to the overall rhythm of business?

- The LOS is a core rhythm at the center of a businesses overall rhythm of business (ROB), but it is a subset of the whole
- The LOS is the *leadership* rhythm. Its primary purpose is to support the leadership team in staying aligned and effectively leading the organisation
- If a strong LOS is in place it will have the effect of both accelerating the pace and increasing the effectiveness of the work done in the overall ROB

Example LOS cascade in a large organisation



Strategic decisions flow from the top down to ensure organizational alignment

Execution issues are raised from the bottom up to secure leadership input and inform future strategic agendas

The Leadership Team interfaces with the Board and then with extended leadership to make business-wide strategic decisions

Extended Leadership and MDs connect and contribute to decisions via regular meeting in their part of the business and via monthly cross-team calls

Leaders cascade information and decisions to their teams on a predictable, weekly schedule

Regular communication and town halls reinforce key messages, ensure all employees feel informed and that there is a healthy feedback loop

How to make an LOS work

1. Document the 5 core components and make sure all leaders have the same understanding of them
2. Ensure every type of meeting has a clear purpose and outcome. Any that do not, either reshape or stop having them. For example:
 - **Operational meetings** are for aligning on near term operational priorities and for team problem-solving on critical issues. They are *not* for walking through every leader's project list as an accountability mechanism. Outcomes will largely be handled by line managers
3. Ensure the timing and set up for each meeting suits its purpose. For example:
 - **Strategy meetings** need time and space for leaders to think and discuss. There should be fewer agenda items and these should be booked at a time when people are not rushed
4. Put all the forums (meetings) decision flows and communication flows together in a visual and check for gaps, inconsistencies, excessive time lags. Make sure there is a feedback loop.
5. Create a visual guide to how and when the main cascades/ feedback flows work and display it where it can be easily seen