

August 25, 2016

## **LOL Journal - The Ideal Team Player**

Great investment firms are made up of great teams. And great teams depend on having the “right” people on the team. So, how do you assess the members of a team? Patrick Lencioni, author of **The Five Dysfunctions of a Team**,<sup>1</sup> has some useful thoughts on this topic.

Keith Robinson and I attended a Global Leadership Summit last week where Lencioni keynoted. Lencioni is a great presenter—full of passion and humor—and very insightful about collaboration and teams. In fact, his presentation helped me understand why the investment industry has so many dysfunctional teams. Let me explain Lencioni’s model, then come back to my assertion.

In his new book,<sup>2</sup> Lencioni says that the ideal team player has three qualities: humble, hungry, and people smart (EQ)<sup>3</sup>. In Lencioni’s own words, here’s how he describes them:

### **Humble**

The first and most important virtue of an ideal team player is humility. A humble employee is someone who is more concerned with the success of the team than with getting credit for his or her contributions. People who lack humility in a significant way, the ones who demand a disproportionate amount of attention, are dangerous for a team. Having said that, humble team players are not afraid to honestly acknowledge the skills and talents that they bring to the team, though never in a proud or boastful way.

### **Hungry**

The next virtue of an ideal team player is hunger, the desire to work hard and do whatever is necessary to help the team succeed. Hungry employees almost never have to be pushed by a manager to work harder because they are self-motivated and diligent. They volunteer to fill gaps, take on more responsibilities and are eagerly looking around corners for new ways to contribute to the team.

### **People Smart**

The final virtue of a team player is not about being intelligent, but rather about being wise in how to deal with people. Smart employees understand the nuances of team dynamics, and know how their words and actions impact others. Their good judgment and intuition help them deal with others in the most effective way.

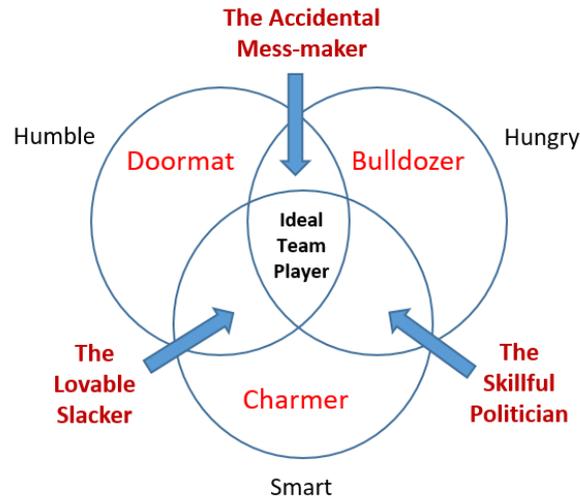
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<sup>1</sup> <https://www.amazon.com/Five-Dysfunctions-Team-Leadership-Fable/dp/0787960756>

<sup>2</sup> [The Ideal Team Player: How to Recognize and Cultivate The Three Essential Virtues](#)

<sup>3</sup> EQ is shorthand for “Emotional Intelligence.” See [Dan Goleman’s book](#) for more on this.

Here's the key. Lencioni claims that you need all three to be a great team player. The chart below shows what happens if you only have one or two of the qualities:



If you are just humble, hungry or people smart, then you are a doormat, bulldozer or charmer respectively (as shown in the chart). If you have two of the three qualities, you are still not an ideal team player. These combinations are described as:

**The Accidental Mess-maker**

This person is humble and has plenty of drive but lacks people smarts. So, s/he's likely to create messes, as s/he acts with very little emotional intelligence and team savvy. This person may accomplish a great deal but leave behind a trail of interpersonal destruction.

**The Lovable Slacker**

This person may at first appear ideal because they are humble and people smart, and therefore very likeable. But they lack the drive to go the extra mile. They do only what is required of them and soon frustrate all the truly conscientious members of the team.

**The Skillful Politician**

Perhaps the most dangerous of the three "incomplete" players, the skillful politician knows how to present him/herself very skillfully and knows how to look well-intentioned and even humble. But all the while this person is egocentric and looking out only for his/her own interests. Team mates can end up feeling manipulated and scarred.

Okay. Back to my earlier point about dysfunction. There are many “incomplete players”<sup>4</sup> in the investment world. FCG encounters very few teams that have players with all three qualities. Many investment firms make the mistake of hiring bulldozers. These people are extremely smart and have established good track records in their area of expertise (e.g. stock picking, portfolio management, sales, etc.). But they have neither the humility nor the people smarts (EQ) needed to play well on a team. FCG has labeled these types “Red X’s” and written lots about them.<sup>5</sup> Many firms are willing to put up with these types because they are often star performers. Eventually, most firms get burned by this decision. The most spectacular recent case is Bill Gross at PIMCO.

The investment industry in FCG’s view is long on “hungry” types. We encounter competitive and driven people in nearly all of our client firms. The DNA of most investment professionals is: really smart and really driven. It’s rare that we find investment professionals who have the other two qualities: humble and people smart. Given Lencioni’s insistence that you need all three to be an ideal team player, it explains why FCG finds so few teams that are really high performing. They do exist, and they are wonderful to behold. But like four leaf clovers, few and far between.

So, there are two useful takeaways from Lencioni’s insightful model.

1. Because it’s very hard to change a tiger’s stripes, you may want to think about these qualities as you recruit and hire people. Look hard for complete players.
2. If you have an intact team with several “incomplete players” on it, Lencioni recommends a frank discussion with them using his framework. Allow the team members to score themselves on these three dimensions. Then let the team members who shared low scores on the same dimension to debrief with one another. Lencioni’s experience is that often they will own their shortcomings with other team members who’ve made the same admission. If team members can own it, that is the first step towards modifying their behavior to be more effective as a team mate. For more suggestions on how to work with “incomplete players” see FCG’s earlier blog: <http://www.focusgroup.com/wp-content/uploads/2015/11/11-02-14 LOL Leading the Red X-Dealing with Clever People part 2.pdf>

As the investment industry becomes increasingly competitive, the battle to find brilliant talent will surely heat up. But adding difficult players to the team will only hurt a firm’s chances. Lencioni’s simple but powerful model is a good way to screen talent and ask the hard questions that will steer you clear of trouble.

Hungry, humble and savvy (EQ) wannabe,

JW

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<sup>4</sup> By “incomplete player” I mean team members who do not have all three qualities: humility, hunger, people smarts.

<sup>5</sup> See our website for papers and talks on “Red X’s” [www.focusCgroup.com](http://www.focusCgroup.com)