The Leadership Team

Complementary Strengths or Conflicting Agendas?

by Stephen A. Miles and Michael D. Watkins

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The Idea in Brief

The best executive teams exploit their members’ distinctive strengths. For instance, disk-drive giant Seagate’s leaders—the CEO, COO, and executive VPs of finance and marketing/strategy—excel together by drawing on their complementary functional expertise.

Yet complementarity’s benefits don’t come free, say Miles and Watkins. For example, team members’ differing perspectives may keep them from committing to a common strategy.

How can leadership teams reap complementarity’s benefits while avoiding its risks? Erect four pillars of alignment: shared vision, rewards for achieving common goals, constant communication, and trust that each team member has the firm’s best interests at heart. Also, ensure smooth leadership transitions; for instance, help the COO prepare for the CEO role by giving him increasing responsibility for setting strategy. The payoff? A leadership team that collectively delivers far better results than each member could provide on his own.

The Idea in Practice

Miles and Watkins offer these suggestions for benefiting from team complementarity:

UNDERSTAND COMPLEMENTARITY’S DIMENSIONS

Leadership teams are most effective when members play complementary roles along some or all of these dimensions:

- **Task definition.** Leaders divide responsibilities into blocks. For example, the CEO manages the external environment; the COO, internal management issues.
- **Expertise.** For instance, the CEO has a strong sales and marketing background while the COO possesses expertise in finance.
- **Cognitive strengths.** One team member excels at creating and communicating compelling visions and breakthrough strategies; another, at driving execution through tactical brilliance and follow-through.
- **Role definition.** For example, one leader provides “pull” through rewards and inspiration; another provides “push” through disciplined goal setting and sanctions.

ANTICIPATE COMPLEMENTARITY’S PERILS

Complementarity presents risks, including:

- **Disagreement on organizational priorities.** With contrasting tasks, expertise, mind-sets, or roles, team members may want to push the organization in different directions.
- **Difficult succession.** A leader transitioning into a new role on the team may have trouble letting go of his old one; for example, difficulty moving from a detail-orientation in order to focus on big-picture strategies. And subordinates, comfortable with him in his old role, may refuse to see him as credible in the new role.

PAY SPECIAL ATTENTION TO CEO SUCCESSION

To ensure smooth succession to the CEO job, consider these strategies:

- Appoint a COO whose experience and talents partially overlap with the CEO’s, so he can transition into the top role more easily.
- Extend the productive life span of a complementary CEO-COO relationship by appointing a COO who’ll take time to grow into the number-two job. Help him learn his own job and work with the CEO to prepare for the transition.
- Create an explicit agreement between the CEO and COO outlining the gradual transfer of responsibilities. The COO could, for example, take increasing responsibility for dealing with external constituencies such as shareholders.
- Redefine traditional CEO/COO roles. For instance, a COO who is strong at playing the “insider” role continues to do so after becoming CEO, and the new COO plays the “outsider” role.
The Leadership Team
Complementary Strengths or Conflicting Agendas?

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Senior leadership teams whose members play complementary roles have been chronicled as far back as Homer’s oral history of the Trojan War. Though the Greeks were led in their quest for retribution against Troy by the powerful King Agamemnon, their victory would not have been possible without Achilles, the mighty warrior; Odysseus, the wily tactician; and Nestor, the wise elder. Each had a crucial, distinct role to play in the Greek high command. Achilles rallied the troops in the heat of battle. Odysseus provided sound strategic advice during and between engagements. Nestor was a source of cool-headed counsel and diplomacy, mediating between the titanic egos of Agamemnon and Achilles. No one of them could have played all the varied roles necessary to guide the enterprise to victory; collectively they prevailed and won their place in history.

Not much has changed at the top of large organizations in the past 3,000 or so years. Today, complementary-leadership structures are common and, in some cases, even institutionalized. Think, for example, of the chief executive officer and the chief operating officer, a pairing in which one leader is concerned mainly with external issues and the other focuses on internal matters.

Even though most complex organizations are run, formally or informally, by teams of two or more, far more attention is paid to CEO performance and succession than to such issues as how complementary teams should be designed and what happens when their membership changes, especially during a succession process. While acknowledging the symbolic and actual importance of an organization’s ultimate leader, we need to expand our focus beyond this unitary position.

The two of us have studied numerous complementary-leadership structures, often at very close range in consulting relationships we’ve each had with companies (including several mentioned in this article). We’ve sought to understand why these structures emerge, what purposes they serve, and what challenges they create. Our study supports the case for complementarity. Such teams by their very nature are...
able to do things that individuals and noncomplementary teams can’t. At the same time, we’ve seen that with the benefits come risks. Because of members’ different strengths and styles, they may pursue incompatible ends or employ inconsistent means to achieve their goals. Succession also presents particular challenges. What happens when members of complementary teams move on, as they inevitably do? When succession looms, the logic of complementarity can get turned on its head—that is, the more complementary the team, the greater the potential for difficulties when it comes to a change of command.

Fortunately, the board of directors and the CEO can avoid problems like these. With a good understanding of complementary leadership, they can create an effective team and ensure a stable and productive succession when the membership changes. While this article applies broadly to leadership teams, including relatively large groups such as the senior executive committee, it is particularly relevant to relationships involving the top two or three people in an organization.

The Promise of Complementary Leadership

The pervasiveness of complementary leadership in large organizations results in part from the obvious differences between various roles—the CEO and the COO, for example, or the heads of different functional areas. Sometimes complementary-leadership teams are designed into an organization. (For a description of one firm’s experience with coleaders, see the sidebar “A Commitment to Complementarity.”) More often, however, such teams emerge from a process akin to natural selection, in which leaders—through a mixture of succession planning, unexpected opportunities, personal capabilities, and self-selection—over time come to perform complementary functions. These are distinct because of the fundamental limits on a single person’s ability to focus attention, acquire new capabilities, process information, and play diverse social roles. Indeed, the limitations of people’s information-processing capacity, which are well documented, make it impossible for one individual to manage a large and complex enterprise. Bruce Chizen, CEO of the software and technology company Adobe Systems, says of his own position, “The job is simply too big for any one person.”

Bringing together two or more people with complementary strengths not only compensates for the shortcomings of each but also results in a team in which the whole is much greater than the sum of the parts.

Complementary leadership generally manifests itself in four ways. Increasing demands on the CEO’s attention and time have led to the fairly straightforward task complementarity. Faced with unmanageable levels of complexity and uncertainty, leaders divide management responsibilities into coherent blocks of tasks. As we noted above, one familiar split assigns one leader (usually the CEO) the job of managing the external environment, while her counterpart (often the COO) concentrates on internal management issues. Another way to divvy up tasks is to designate executives to take primary responsibility for different businesses or groups of businesses.

A second fairly clear-cut division of responsibilities is expertise complementarity. Before becoming general managers, executives usually get their training and experience in one or at most a few business functions, such as sales, marketing, finance, operations, or R&D. Although effective general managers acquire a good working knowledge of other functions, their original areas leave indelible imprints on them. The resulting differences in expertise among general managers naturally lead to the formation of teams with complementary expertise. One common configuration in consumer brands companies is a CEO with a sales and marketing background and a COO with expertise in finance or operations. In technology companies, the COO often has deep technology expertise. For example, Chizen, Adobe’s CEO, has a background in sales and marketing, and Shantanu Narayen, the company’s president and COO, came up through the engineering and product ranks.

A third, less sharply delineated type of synergy—what we call cognitive complementarity—involves differences in how individuals process information. It is extraordinarily rare, for example, to find leaders who are equally good at dealing with the big picture—creating and communicating compelling visions and crafting breakthrough strategies—and at driving execution through an intense focus on tactics, details, and follow-through. Both Aart de Geus, the founder and CEO of Synopsys, and Chi-Foon

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A Commitment to Complementarity

The benefits and challenges of running an organization with leaders who play complementary roles can be seen at Goldman Sachs, where for decades many parts of the business—and sometimes the firm itself—have been headed by teams of two coleaders.

The practice emerged almost by chance. In 1976, when the senior managing director died, the firm decided to fill his position with two partners and members of the management committee, John Weinberg and John Whitehead, who had worked closely together for years. “As friends, they were able to collaborate in a noncompetitive way,” recalls Jonathan Cohen, a Goldman Sachs advisory director who started at the firm in 1969. “It was natural for them to come together.” Weinberg and Whitehead ran the firm for eight years, and a precedent was set.

Over time, the notion of coleadership became ingrained in the firm’s culture. Although no formal policy mandates that certain businesses be run by more than one person, when a position opens, Cohen says, “you look over the best people for the job, and often there are two with complementary strengths.” The practice has extended to the top. Before leaving to become U.S. treasury secretary in July 2006, chief executive officer Henry Paulson, Jr., worked in a close complementary fashion with then president and chief operating officer Lloyd Blankfein, who is now CEO. Earlier, Paulson headed a three-person team comprising himself and copresidents and COOs John Thornton and John Thain.

The benefits of such arrangements are several. Coleadership can act as a restraint on the naturally strong egos found at a top-tier investment bank. It can help assimilate senior hires into the organization’s culture by pairing the newcomers with veterans of the firm. It also allows the leadership to be in two or more places at once—something that proved beneficial after the attacks of September 11, according to Steven Kerr, a former chief learning officer at Goldman Sachs who is now a senior adviser to the firm (and a director of Harvard Business School Publishing). At the time of the attacks, Kerr says, Paulson and Thornton were out of the country, but Thain was in New York and could thus oversee efforts to restore order at the firm.

Perhaps the greatest benefit of coleadership is diversity of thought and talent. Decisions, while they might take slightly longer to reach, often are better because two different minds have been at work on them. Coleaders can play to their individual strengths. When Paulson and Blankfein worked together, Paulson, who had spent his career building client relationships, was Mr. Outside; Blankfein, who had a background in the technical intricacies of financial instruments, was Mr. Inside. Faced with the succession challenge that is often embedded in such a complementary relationship, Blankfein has had to work to raise his public profile and increase his involvement with clients since becoming CEO.

The success of coleadership at Goldman Sachs reflects both personal and institutional commitment to the concept, Kerr says. He notes that when he reported to both Thain and Paulson, “I would say something to one, and ten minutes later the other would know it. If they had disagreements, and I’m sure they did, I saw none of that.” Cohen recalls that Weinberg and Whitehead set ground rules for the relationship early on, including an agreement that if one person felt very strongly about something, they both would head in that direction.

Kerr says such semiformal agreements continue to this day. He and others often interview both members of a new leadership team, map each one’s view about who will be responsible for what, and then bring the two together to work out differences.

Of course, not all relationships between coleaders succeed. After all, Kerr says, “people marry for love and half of them don’t make it—and these guys aren’t always in love when they are put together.” But the successes outweigh the failures, in large part because the firm has learned, sometimes painfully, from its mistakes over the past 30 years. “If we had known what the full cost would be, maybe the practice would never have started,” Kerr says. “But that cost is now sunk. We’ve paid our dues.”
Senior leadership teams whose members have complementary strengths abound in government as well as in business. The partnership between Israeli politicians Yitzhak Rabin and Shimon Peres—and the way their complementary roles led to the 1993 signing of the Oslo Accords—provides a classic example of complementarity in a governmental context.

In the early 1990s, Rabin was prime minister and Peres was foreign minister of Israel’s Labour government. The two politicians were longtime rivals, representing the hawk and dove wings of the Labour Party. In the partnership, Rabin, a former general in the Israeli Defense Forces, played the role of “guardian,” preserving national identity and ensuring the country’s security. Peres, who lacked the credibility associated with military service and was viewed as soft on security, acted as the “entrepreneur,” developing new approaches to engaging with the Palestinians and aggressively pushing those ideas forward. Together, the two men did what neither could have done alone, pursuing and completing negotiations that laid the foundation for the Oslo Accords, for which the two, along with Palestinian leader Yasser Arafat, received the Nobel Peace Prize.

After the assassination of Rabin in 1995, Peres’s history of playing the entrepreneurial role hindered his candidacy for prime minister when he ran against Benjamin Netanyahu: Many Israelis worried that he couldn’t step into Rabin’s role as trusted guardian of the nation’s future.

CEO augment their complementary areas of expertise (the creation of visionary technical architectures for Gates, hard-driving sales and marketing for Ballmer) with a shared passion for the company. The relationship will be tested as Gates continues his retreat from day-to-day duties and the recently named COO Kevin Turner—in the tradition of technology company COOs, an operationally focused former chief information officer (in his case, at Wal-Mart)—tries to create a similar if perhaps less intense dynamic with Ballmer.

A complementary-leadership relationship that has survived the stress of several changes exists at Starbucks. In 2002, when Jim Donald joined the company from Pathmark Stores (where he had been president and CEO), he became the newest member of a “three in a box” leadership team that had previously been known as H2O—a reference to the first names of Starbucks founder and chairman Howard Schultz, head of international operations Howard Behar, and CEO Orin Smith. Sustaining this successful setup wasn’t easy. Partly through his efforts to assure rank-and-file employees that they could count on continuity in the company’s leadership approach, Donald helped ensure the success first of the new three-person team (he took Behar’s place, creating a group in which Schultz was the visionary, Smith the administrator, and Donald the merchant) and then of a two-person version (he became CEO when Smith retired).

Deeply complementary relationships like these are unusual; teams with some complementary aspects are quite common. Steven Reinemund, formerly the CEO and now the chairman of PepsiCo, had a strong partnership as COO with his CEO predecessor, Roger Enrico. When Reinemund became the chief executive, he fostered a similarly productive relationship with his ultimate successor, CFO Indra Nooyi, based mainly on task complementarity. Giving Nooyi the additional title of president while she was CFO, he let her take an increasingly public role with external constituencies, which was good preparation for her ascension to CEO but also a way to balance Reinemund’s operational strengths.

Disk drive maker Seagate is run by a four-person team that successfully exploits expertise complementarity. CEO Bill Watkins, president and COO David Wickersham, and two executive vice presidents—Brian Dexheimer, who is...
in charge of marketing and strategy, and Charles Pope, who heads up finance—work well together because they draw on one another’s different functional strengths. As we will discuss, however, overlap in the expertise of Watkins and Wickersham initially threatened the team’s success.

The Perils of Complementary Leadership

The advantages of complementarity—which, after all, are rooted in differences among leaders—don’t come for free. For one thing, teams risk squandering the potential benefits through the confusion that complementary leadership can spawn. “People, especially those lower down in the organization, would sometimes wonder when they should talk to me and when they should talk to him,” recalls Adobe CEO Chizen, speaking of his close complementary relationship with Narayen. Over time, employees came to understand the semi-formal division of labor: Chizen was solely responsible for presenting financial proposals to the board and for strategy decisions, but beyond that the two shared duties, with Chizen focusing on marketing, brand, and customer issues and Narayen tackling product and operational matters.

Another challenge involves achieving and sustaining agreement about organizational priorities. What happens, for instance, if Agamemnon decides to attack the city and Achilles stays in his tent? Given that the team will intentionally include people with significant differences—in terms of their assigned tasks, areas of expertise, mind-sets, or social roles—how does a company avoid ending up with a group of leaders who, in the words of the adage, sleep in the same bed but dream different dreams? The risk that team members will head off in different directions is all too real, especially as organizational environments become increasingly complex and ambiguous.

A less obvious problem is that team members’ similarities in certain areas may interfere with the team’s overall complementarity. That is, if there is too much overlap in the Venn diagram depicting members’ tasks, areas of expertise, mind-sets, or social roles, the problem may be more than redundancy: In the overlapping areas, people may compete to do things their own way. This need not happen, of course. Recall how Aart de Geus and Chi-Foon Chan of Synopsys complement each other, even though they share deep technical expertise, because they enjoy the breathing room provided by their different cognitive roles: De Geus’s visionary approach and Chan’s down-to-earth way of processing information.

But in such situations, conflict can overshadow what would otherwise be a productive relationship. Consider the recent history of the leadership at Seagate. CEO Watkins, who has a strong interest and expertise in operational matters, remembers working hand in glove as COO with former chief executive Steve Luczo, who focused primarily on corporate strategy. When Luczo became chairman and Watkins became CEO, Watkins filled the COO spot with Wickersham, an executive with a similar passion for operational excellence—a crucial element in a vertically integrated business that moves some 86 million parts in its supply chain every day. Initially, the relationship was somewhat strained. “When I first came into the CEO job, I wouldn’t give him responsibility for the part of the organization that oversaw product quality,” Watkins recalls. “Then I realized I was messing up, using my ownership of quality to hammer operations. It wasn’t so much an issue of his not being ready; it was an issue of my not being ready to give up responsibility.”

As a result of Watkins’s decision to pull back from day-to-day operations and give Wickersham some freedom to maneuver, Seagate has been able to benefit from their complementary social roles—Watkins as the emotional keeper of the company’s culture, Wickersham as the data-driven executive who gets the job done.

The Four Pillars of Effective Complementarity

The risks inherent in complementary leadership can’t be avoided. But organizations can manage them by heeding the four pillars of alignment in successful complementary teams: a common vision, common incentives, communication, and trust. As a team’s complementarity increases, so does the importance of these pillars.

The failure to craft and commit to a shared vision and supporting strategy is at the root of some notable senior team collapses. Ed Zander, who is now chairman and CEO of Motorola, says he knew it was time to leave his position as...
How does a company avoid ending up with a group of leaders who, in the words of the adage, sleep in the same bed but dream different dreams?

Members of successful complementary teams describe the phenomenon in different ways. Reinemund says it involves not questioning your teammates’ motives and caring about their personal well-being in a way that “supersedes day-to-day results.” Donald talks about giving others on the team “a free runway” to do what they need to do. Watkins characterizes trust as “knowing that when things hit the fan, we will try to do the right thing for Seagate—and that we’ll stick together to get it done.”

This kind of trust yields tremendous benefits. “If you have it, you can screw up, as we all do on a regular basis, and still make things work,” says Reinemund. “Without that, when the first tough storm comes, things just fall apart.” According to Watkins, his team’s deep confidence that it ultimately won’t make many mistakes “gives us the freedom to have some pretty good conflicts before agreeing on a plan.”

The Challenges of Succession
Making complementarity work is a challenge even for teams that are intact; when the composition of the team is altered, especially in the case of leadership succession, the challenges become more substantial. Researchers have repeatedly identified succession as one of the most worrisome issues for corporate boards, partly because it’s one of the areas in which companies most frequently fall short. With a complementary-leadership team, succession is particularly problematic and becomes more so the more extensive the team’s complementarity. The classic case is when a COO or president who has worked in a complementary fashion with the CEO moves into that top role.

Consider Ivester’s move from COO to chairman and CEO at Coca-Cola in 1997, when Goizueta died unexpectedly. As we have described, the two men had an unusually effective complementary relationship. Many predicted continued success for Ivester. Fortune dubbed him the “prototype boss for the 21st century.” Coca-Cola’s board confirmed his accession to CEO in a 15-minute meeting.

But the successful pairing of Goizueta and Ivester contained the seeds of Ivester’s downfall. An accountant by training, Ivester had spent nearly 20 years rising through the ranks to become Goizueta’s right-hand man. He had been named Coca-Cola’s CFO in 1985, at age 37, and made his mark in 1986 by orchestrating...
the successful spin-off of the company's bottling operations. He also succeeded in his first operating role, as president of European operations, overseeing the company's expansion into Eastern Europe in 1989.

But Ivester failed as CEO. He refused to name a new COO, even when strongly pressed to do so by Coca-Cola's board. Instead, he continued to act as a "super-COO," maintaining daily contact with 16 direct reports. His extraordinary attention to detail and an effective foil to Goizueta's big-picture approach, proved to be a hindrance in his new position, preventing him from taking on the strategic, visionary, and statesman roles of an effective CEO.

He made a series of mistakes, from the ham-handed treatment of European regulators ruling on Coca-Cola acquisitions to the belated acknowledgment of a festering racial discrimination suit in the company's Atlanta headquarters. He had little chance of recovering from such setbacks because by the end he had alienated nearly everyone who might have saved him.

Ivester's unfortunate story vividly illustrates why leadership succession can be so risky in complementary teams: The strong leadership traits that make someone a successful member of a complementary team may limit his ability to adapt to a different role—because of his inherent capabilities and because of what the organization, comfortable with him in his old role, will permit him to do in his new one.

For example, making the move from COO to CEO requires substantial changes in the four dimensions of complementarity we described earlier. To succeed in the chief executive role, Ivester needed to shift his focus to different tasks (by spending more time on external matters), draw on different areas of expertise (particularly sales and marketing), exercise different cognitive capacities (particularly the development of vision and strategies), and play a new social role in the organization (one that would build personal relationships and trust). He made a common but disastrous mistake in his failure to "promote himself" into the role of CEO, continuing instead in what was essentially a COO role camouflaged by a new title.

Of course, the magnitude of the leap to CEO would tax anyone's adaptive capacity. While hard work may help someone learn new tasks or acquire new expertise, the ability to adopt new cognitive capabilities or play different social roles may be limited by who that person is. To use an analogy from the theater, some actors have a narrow range—they are extremely effective in a few types of roles—while others can perform a broader repertoire. But even the most versatile actor can't change her inherent talents, and few can convincingly play all roles, just as few executives will be able to excel in all leadership positions.

Even if a leader has a tremendous ability to adapt to a new role, he still has to deal with the legacy of the roles he has previously played in the organization. Just as audiences may not like to see a typecast actor in a different kind of role, people in organizations may hold entrenched attitudes that make it extremely difficult for someone to undertake a major role shift. Having played the bad cop to Goizueta's good cop for so many years, Ivester was typecast as the hard-edged disciplinarian. Even if he had been capable of playing a softer, more diplomatic role at Coca-Cola, it is far from clear that people in the organization would have accepted the transformation.

**Ensuring a Smooth Transition**

Companies that come to understand the potential pitfalls of complementary leadership teams should not, of course, give up on complementarity and stock their leadership pipelines with clones. Rather, the challenge is to enjoy the advantages of complementarity without sowing the seeds for disaster during succession, particularly to the top job. An organization's board of directors and CEO can take various steps to manage the short-term benefits and longer-term risks of complementarity.

The first step is to recognize the inherent tension between creating complementary leadership teams and laying the foundation for smooth succession processes. This can mean, for example, deciding to put in place a COO whose experience and talents partially overlap with those of the CEO and who therefore might make the transition into the top role more easily. Another option is to extend the life of the complementary CEO-COO relationship by appointing as COO someone who will take time to grow into the number two job. Giving that person a stretch assignment will ensure that he has time not only to learn his own job but to prepare, with the CEO's help, for the top position.
More-formal procedures can also help. The board can, for example, broker an explicit agreement between the CEO and the COO outlining the gradual transfer of responsibilities. The COO can take increasing responsibility for dealing with external constituencies such as analysts, shareholders, and the press; become more involved in strategy setting or meetings with key customers; or assume greater responsibility through a seat on the board or a new set of reporting relationships. Many of today’s successful complementary leaders—like Jim Donald at Starbucks, Bill Watkins at Seagate, and Indra Nooyi at PepsiCo—have benefited from that kind of preparation as part of an earlier complementary team.

Such a grooming process requires a CEO who is willing to transfer power in both real and symbolic ways. “It became clear to me that certain aspects of the CEO job were not my strong suit,” says Chizen at Adobe. “Yet these were things that Shantanu was really good at. He wanted more responsibility, and I was more than happy to give it to him. He continued to do a good job as COO, which confirmed for me that I could safely give him even greater responsibility.” Jim Donald, speaking of the responsibility he was given as Starbucks COO when Orin Smith held the top spot, says, “If you don’t have a great number one, you are not going to have the latitude and longitude to do what it takes to become a great number one yourself.” Of course, handing over the reins is not easy: Consider Watkins’s reluctance to turn over responsibility for quality at Seagate when Wickersham became COO.

One way to sidestep the challenges of a complementary COO’s transforming himself into a CEO is to ignore the traditional definitions of the two positions—that is, don’t worry about which roles the CEO and the COO play as long as they maintain the logic of complementarity. Such a “role-swapping” strategy could mean, for example, that a COO who is strong at playing the “insider” role would continue to do so after becoming CEO, complemented by a new COO who would play the “outsider” role. We saw a version of this strategy at PepsiCo, where CFO Nooyi continued to deal with external constituencies, such as analysts, when she took on the role of president, while CEO Reinemund continued to play to his operational strengths. But that kind of approach won’t work in all situations. The CEO must be comfortable sharing the spotlight with the second in command, and important stakeholders—investors, analysts, the media—must accept the division of responsibilities.

Instead of trying to manage the sometimes difficult ascension of the number two executive to the top position, a board can orchestrate a complete changing of the guard, selecting a highly complementary CEO-COO pairing—or even a trio of leaders—and then replacing both people when the time comes. That was the pattern for several generations of top executives at Johnson & Johnson. From 1976 to 1989, chairman and CEO James Burke shared leadership responsibilities with president David Clare. In 1989, the two passed the baton to Ralph Larsen, who became chairman and CEO, and Robert Wilson, who became president. They, in turn, passed it in 2002 to William Weldon, who became CEO and was also the worldwide chairman of the pharmaceuticals group, and James Lenehan, who was worldwide chairman of the medical devices and diagnostics group. When Lenehan interrupted this orderly succession process by resigning suddenly in 2004, the company expanded its complementary-leadership structure, appointing in the next year both CFO Robert Darretta and global chairman of pharmaceuticals Christine Poon to the position of vice chairman in the office of the chairman, a move that made them part of a new complementary team headed by Weldon.

Whatever the mechanism, the aim is to realize the enormous potential of complementarity in senior leadership teams while avoiding the perils that come with it. The stakes in getting this right could not be higher.

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ARTICLE

Second in Command: The Misunderstood Role of the Chief Operating Officer
Nathan Bennett and Stephen A. Miles
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This article focuses on a particular top leadership team relationship: that of COO and CEO. Many companies struggle to define the ideal COO, because reasons for filling this role vary widely across organizations. Reasons range from implementing the CEO’s strategy, leading a turnaround, and complementing the CEO’s strengths to testing a possible CEO successor and staving off defection of the CEO to a rival.

To forge a highly effective complementary relationship, both parties must build a high level of mutual trust. They can do so by meeting obligations on both sides. Specifically, the COO must support the CEO’s vision; keep his or her ego in check; and exhibit strong execution, coaching, and coordination skills. The CEO, in turn, must communicate faithfully, grant real authority and decision rights, and be careful not to stymie the COO’s career.