



Guttman Insights

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Todd Lachman is CEO and president, and Lisa O'Driscoll is senior vice president, people and organization of Sovos Brands, a new kind of food and beverage company. Sovos's mission is to acquire and rapidly grow a portfolio of one-of-a-kind iconic brands, such as Rao's Homemade, the leading brand of super-premium pasta sauce, and Michael Angelo's Gourmet Foods, a leading producer of premium frozen Italian entrees.

In this issue, Sovos Brands' Todd Lachman and Lisa O'Driscoll get up close and personal about life in a start-up and offer insight into the value of the horizontal, high-performance approach to managing the entrepreneurial whirlwind. Howard M. Guttman explores the unique "talk" of high-performance. And we introduce a new column that provides practical leadership tips for driving up performance—both yours and that of those around you.

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Leader's Corner: Adding High-Performance Zest to Growing a Start-up

What was your motivation, Todd, to leave “big business” and head full-steam into entrepreneurial waters?

A career should be an adventure. When it comes time for us to look back at what we've accomplished, we all want to feel like we've achieved what we wanted to, both personally and professionally. I'm fortunate to have worked at great companies like P&G, Heinz, Del Monte, and Mars; to have worked across different types of brands and categories; and to have lived and worked internationally. But one thing I had not done was start my own company. I wanted to put my skills to the test in starting and growing a company—one with great brands, talent, and culture, and an opportunity to work with people whom I admire—which is what I'm doing now. This was the time in my career to just do it!

What's been the biggest challenge for you in taking the career adventure?

Finding the first deal! But since purchasing Michael Angelo's, we've found that one acquisition begets another. Then there's the resources challenge. Your resources are basically staring back at you when you look in the mirror! We started with two people, then six, and after acquiring Michael Angelo's and Rao's, up to 350. And we've expanded since then. But the basic challenge remains: Being nimble and doing a lot with a little. It's very exciting!

What's the Sovos vision?

We want to grow Sovos to a size and scale that matters, with brands that reach their full potential, at the same time that we operate as a high-performance organization, with talent that is engaged and thrives, and with consumers who are delighted because we have delivered real, delicious food for the way they live.

And the strategic game plan to achieve this vision?

Sovos is Latin for unique, or one of a kind. We're looking to acquire a portfolio of small, one-of-a-kind brands in the food category that together can grow Sovos into a company with \$1-\$2 billion in revenue. Ninety percent of brands in the food category are losing market share; 70 percent are declining in sales. Smaller, premium priced, authentic, on-trend brands are growing. “Adventurous eating,” convenience and “better-for-you” are trending. We want to leverage the experience, marketing, R&D, and financial expertise of Sovos's leadership team and the financial resources of Advent, one of the largest private-equity firms, to drive success. Sovos has the soul of a start-up, the head and savvy of a talented leadership team, and the support of a significant investment partner.

Lisa, from an HR perspective, what does it take to build a company from the ground up?

The Sovos vision starts with where consumers are today, both in terms of buying behavior and the products that meet their needs. To meet those needs requires building a strong culture, with engaged employees. That's a challenge! Many companies are locked into a twentieth-century workforce strategy. Our aim is to achieve the proper balance between attracting and developing the right workforce, putting in place forward-leaning processes and infrastructure, and building enduring businesses.

As you build a strong culture, are there typical M&A cultural integration issues?

We're not trying to integrate companies that we're acquiring into one monolithic culture. Instead, we're creating an organic process that translates Sovos's vision and values into the cultures of both organizations and of other companies that we will be acquiring. We're guiding the culture, not imposing one. We don't want to diminish that special spark that makes each of our brands successful.

Anything to add, Todd, on the integration issue?

Just this: We want to be nimble and judicious in how and when we integrate a business. It's not about synergy but supporting the magic of every business in which we invest.

Are the fundamentals of high-performance leadership the same in an entrepreneurial situation as they are in large corporation?

The fundamentals are doubly important in start-ups. Think about it. In the categories where we currently compete—pasta sauces and frozen foods—we're up against Goliaths. Accountabilities and decision-making protocols must be crystal clear; we need to make sure that we're meeting conflict head-on and that we're having authentic conversations in real time. There's no time for indecision and triangulation. The cornerstone elements of HPT [High Performance Teams]—leading horizontally and holding peers accountable—are critically important in keeping us focused and directing our energy to winning in the marketplace.

Lisa, what's HR's most important contribution to helping to deliver Sovos's strategic goals?

The real story is about growing our brands, revenue, and capabilities across categories. HR must align our organizational capabilities with our strategic intent. Do we have the right culture to attract the people and capabilities we need? Do we have the roles and opportunities to retain them to drive value? We have to go beyond viewing our human-resource capability from a "now" perspective. We also have to calibrate what our capabilities will look like once we have five-plus acquisitions under our belt.

Todd, how difficult was it for the Sovos leadership team to embrace the HPT approach?

Our situation was unique. Rather than face the typical buy-in issues when trying to move an existing team to a high-performance, horizontal way of working, I selected my leadership team from scratch and made sure that everyone knew what they were signing up for. True, going through the high-performance, team alignment process is no cakewalk. It's a challenging learning experience. But our team has readily embraced the process and has been operating like a board of directors, having authentic conversations with one another, dealing head-on with conflict, and being accountable for the team's and organization's success.

Lisa, how has Todd "walked the talk" of high-performance?

Todd is a strong leader and advocate of high-performance behavior. He has demonstrated this with every new leader whom we've brought on board, explaining to him or her the HPT vision and setting performance expectations. As a result, there is no one who has joined us who does not have a clear picture of what it means to operate on a high-performance team, along with a strong desire and commitment to it. Horizontal, high-performance leadership is our starting point.

And a follow up, Lisa: How would I know that the Sovos leadership team is a high-performance one?

It is evident in our cross-functional, enterprise-wide mentality. I don't see any leaders sitting around with functional hats on, thinking, "I'll be a superstar by just focusing on my function." You'd see a great sense of accountability and depersonalization not only in handling conflict but in how we assess progress in meeting business goals and in succeeding together as a team.

Todd, what interview questions do you ask to assess whether or not a candidate measures up to high-performance expectations?

I always spend time probing the area of conflict and assertive behavior: Tell me about a difficulty you've had with your boss and how you handled it? What about a peer? Listen for cues that indicate whether the individual is timid or nonassertive or if he or she addresses an issue up front and candidly. Does the answer reveal whether or not an individual will "go there" with his or her boss or peers when others are present? I also ask a candidate to tell me about "Jane" at work and at home: How would your boss describe you? What about your peers—and those reporting to you? How would members of your family describe you—and what would they say are your biggest assets and vulnerabilities? I like to ask candidates to critique the interview: Overall, how would you evaluate this interview? What went well? What could you have done better? What about my performance? The answers here are worth a careful listen. And a related question: Knowing what you know about Sovos, what can we do to improve?

And Lisa, what are your favorite interview questions?

"What about your current role do you like—and dislike?"—I'm looking here for awareness levels. "Describe your best and worst day, and how would people describe you on the latter?" "What do you like to do—and what tasks do you avoid?" This question helps reveal a candidate's strengths and weaknesses, without the usual fluff that you often get when you ask more directly, "What are your greatest strengths and weaknesses?" What people tell you they like tends to be what they are good at.

What steps have you taken to date, Todd, to build Sovos into a high-performance organization?

Even though we've only been operating for less than a year, we've participated in two alignment sessions with the senior leadership team. We've also conducted a two-day leadership-skill development session with 20 Sovos leaders and plan to expand it to another group of 20 leaders. We've also conducted two-hour briefing sessions on high-performing teams with executives in Rao's and Michael Angelo's. For me personally, my aim is to get away from the top-down model and convey that "We're all in this together," and anyone at every level can and should disagree with me or anyone else, provided it's done respectfully.

Lisa, what about building high-performance behaviors into the performance routine?

Beyond the formal steps we've taken to build our performance muscle, the real action is our practicing and holding ourselves accountable for bringing high-performance to life every day. It's integrated into how we operate, whether in team meetings or one on one. For example, leaders have frequent and authentic conversations with their direct reports and don't hesitate to reveal their vulnerability. Our aim is to encourage others to follow suit. The message is, "This isn't just another initiative or activity; it's who we are and how we run the business."

What have you learned, Todd, about the relationship between accelerated growth in an entrepreneurial company and the horizontal, high-performance model?

High-performance, horizontal teams are a key competitive advantage. By operating as a horizontal leadership team with clear roles and accountabilities; having protocols in place for speeding up decision making; embracing conflict management and avoiding triangulation; and having authentic conversations about the issues that matter, we will outperform sluggish competitors that are bigger but less agile. Not only can we move faster, but we can move together focused on the same direction, which is essential for an entrepreneurial company with limited resources.

And Lisa, what have you learned about high performance and behavior?

Having the horizontal, high-performance model as the benchmark creates a set of clear behavioral values and standards, which then allows us to both reinforce behaviors that drive business success and identify deviations from those values and their related causes.





High-Performance Talk

by Howard M. Guttman

Do organizations, leaders, and teams display a way of communicating that marks them as high performers? Tucked away in Todd Lachman's and Lisa O'Driscoll's interview in this issue are some of the trigger words and phrases for high performance: "leading horizontally," "enterprise-wide mentality," "protocols," "holding peers accountable," "alignment," "operating like a board of directors," and "avoiding triangulation."

Having had my ear to the track of high-performing organizations for almost 30 years, let me distill 10 elements that make up a consistent pattern of high-performance communication.

1. Clarity. High-performing players demand clarity. They closely question one another when an issue is up for discussion. "Can you clarify that?" "What do you mean by?" "Can you give us an example?" "What do you see as the consequence?" You hear these and other clarifying questions—and plenty of them.

2. Authenticity. High-performance language sidesteps game playing. You rarely hear team members asking "imposter questions"—those designed to poke holes for the sake of exposing a colleague's Achilles' heel—or making non-relevant statements just to hear their own voice. High-performance discussion is straight talk. If there is a concern or disagreement, it's put on the table, not hidden under it.

3. Accuracy. On a high-performance team, conversation is biased toward facts, data, and observable behavior. You'll often hear: "It's my opinion that . . ."—signifying that the speaker wants listeners to know that he or she is about to enter a no-fact zone—or "On what do you base your judgment?" asking for factual back-up. If a problem is being discussed, the first order of business is to get the facts: What, specifically, is the problem? Where and when is it occurring? Who and how much is involved?

4. Efficiency. There's little beating around the bush and verbal foreplay among high performers. Rather than long preambles, you're apt to hear, "John, I have a concern about your behavior, and we need to talk." Rather than making excuses, the talk is more about accepting responsibility and moving on to solutions.

5. Completeness. You're unlikely to hear half the story in high-performance environments. What you'll likely hear instead is, "Let's discuss the pros and cons of the decision," or "Here are the risks with my proposal, and here's what we stand to gain." The aim is to inform, not to finesse.

6. Timeliness. There's a just-in-time feature to high-performing conversations. "Let's put the facts—all of them—on the table, now." One of the favorite questions you'll hear is, "By when?" There's also plenty of "If . . . then" language, often related to the siloless high-performance environment: "If Marketing executes its plan by June, then Sales will have plenty of time to generate business."

7. Focus. On high-performing teams, conversation is typically strictly business, driven by the outcome required in a given situation. If the discussion involves setting priorities for a laundry list of issues, you don't hear anyone jumping into solution mode; if the conversation focuses on **identifying** the root causes of a problem, you're not likely to hear much about taking action to **correct** them. One CEO proudly asserted that on his team, "Insult is the language of affection." But more often it is the source of affliction, which is why it's not part of the style of high-performance conversations.

High-performance
conversations
"go there."

8. Openness. High-performance conversations “go there.” If a team member—or the leader—is underperforming, or if a function is problematic, colleagues on the team will “go there.” Elephant heads—those touchy issues that most teams pretend don’t exist—are an endangered species on high-performing teams.

9. Action oriented. Listen in on a high-performing team at decision time: What are the key objectives? Who are the fewest people that need to be involved? By when should the entire team review the decision? The words connote action. They also typically convey immediacy, as when teams talk about the “24-hour rule.” This means getting back to a colleague with a response, if not a conclusion, within one business day.

10. Depersonalization. True, high-performing teams “go there,” but they don’t “go personal.” Nor do you hear much defensiveness. Rather, you frequently hear high-performing team members reminding one another in the face of criticism that “It’s a ‘business case.’” In other words, let’s treat the discussion objectively.

Talk and Moments of Truth

The great linguist Edward Sapir once pointed to a pattern of “linguistic interinfluencing” that is present when neighboring people contact one another. It’s a point that applies equally to organizations. To the extent that senior teams talk the talk of high performance and, of course, walk it as well, the rest of the organization is likely to do the same. ●



Howard M. Guttman to Give Keynote Address at the New Jersey OD Conference, May 2, 2018

Howard will be giving the opening keynote address at the New Jersey OD Conference “Reunion 20: A Celebration of 20 Years of OD Wisdom.” The conference will take place from May 2-3 at the Ramada Plaza in Newark, NJ. To register go to njod.org.

If I Were You:

Tips for High-Performance Leaders

by Howard M. Guttman

What's the cash value of an idea? A good idea, well executed, can be a game changer, which is why we've asked Howard Guttman to sharpen his pencil and provide in each issue a single, practical idea for improving a leader's performance.

Engagement. It's a kind of Rorschach word onto which all manner of perceptions get projected: happiness, satisfaction, excitement, pride, loyalty, and on and on. "Engagement" is an accommodating inkblot! Yet, it's an important concept, with reams of research suggesting that it is tightly pegged to job performance and employee retention. The higher the level of engagement, the higher the level of productivity.

If I were you and were concerned about engagement levels of members of my team, I'd periodically take an engagement reading of each member by asking four questions, the answers to which collectively reveal whether or not there is a meaningful level of engagement:

On a 1-10 scale, with 10 signifying the highest score, what is the evidence that....

1. I'm attaining goals and objectives?
2. I'm experiencing increased clout or influence over my environment?
3. I'm being valued and recognized by my organization?
4. I'm acting in sync with my values and beliefs—i.e., "Do I feel that I am my job and my job is me?"

These are deeply personal questions. Engagement, after all, is a deeply personal concept. Note the focus on evidence and observable behavior. Scores tallying 27 or below typically indicate that your colleague is in the disengagement danger zone. Keep the focus on discussion, not the numbers. Probe further by asking: "Why did you respond that way?"

I would sit down with team members a couple of times a year for an honest discussion centered around the four questions. You'll get revealing, ground-zero insight on both your colleagues' perception of quality of work life and the level of engagement that flows from it.

And, if I were you, I'd have the discussion in the neutral zone. Listen with "the third ear," and don't accuse. Every answer is an opportunity for discussion and action.

And, speaking of action, a key goal is to empower—and engage—employees. Ask: "What actions can you take to ratchet up your score, and "How can I support you?" Inkblot projections aside, engagement is all about ownership, and what better way to get your team members to assume ownership than by having them own the change that so profoundly affects them. 🍌