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Executive teams replete with functional experts (CFOs, CHROs, etc.) are so common today one forgets they were not always the norm. In fact, they date back to GM's Alfred Sloan, who brought together a handful of business unit (BU) leaders to address company-wide issues. This model of a small, BU-leader-staffed team was the model for many decades, although some companies named a COO to act as an intermediary between the CEO and the BU leaders.

A change began to occur in the 1970s as functional managers slowly joined BU leaders and COOs on the top team. The idea was to centralize decisions related to their functions, coordinate crossbusiness activities, and provide CEOs with decision-making support. CFOs were the first functional chiefs to join, followed in the 1980s by Chief Strategy Officers (CSOs).

The 1990s saw the appearance of Chief Information Officers, Chief Marketing Officers and others. In the 2000s, the number of Chief Supply Chain Officers in large firms shot up in several industries, while the "War for Talent" spurred companies to add Chief Talent Officers to their benches. General Counsel also rose to the top in response to SOX and other crisis-induced regulation. More recently, even Chief Happiness Officers have appeared and many CEOs are feeling pressure to add a Chief Digital Officer.

While this growth happened deliberately in some firms, others blindly followed suit or promoted executives to the top team to retain them. Whatever the reason, executive teams are significantly larger than they were despite some positions having faded. By some accounts, the average team size for large firms is now 10, double what it was 30 years ago.

Although larger teams theoretically bring benefits, such as a diversity of perspectives, practical downsides have grown with team size. They include additional payroll costs and wasted time as teams struggle to find meeting topics that truly concern 100% (or even 50%) of its members. However, there are more important downsides CEOs should worry about.

To begin with, they find themselves more and more often acting as a referee. CEOs have always had to address conflicts between team members. But this task has grown as each new member comes aboard with a strategy to implement and an expectation that their priorities supersede all others. Health & Safety executives admonish peers who don't put safety first. Talent executives insist colleagues make "people" their priority or risk an exodus of the best and brightest. Digital executives (the latest newcomers) treat peers who don't view everything through a digital lens as dinosaurs who will be sorry when their company is disrupted. Thus, CEOs have become *de facto* Chief Mediation Officers, working overtime to settle disputes and leaving leaders little time for other critical tasks such as aligning team members behind the global strategy.

A second problem stems from the fact that the executive team is watched very carefully by those below for signals about the kinds of behaviors that will be rewarded. As CEOs add more members to their team, each one fighting to see his/her priorities prevail, conflict at the top becomes more visible. With the lack of collaboration at the top in plainer sight, staff below are less likely to collaborate across units and they may begin to question the quality of their organization's leadership.

Finally, with size comes disengagement. Once they've made it to the "top table", executives expect to be involved in all critical decisions. But the size of today's teams makes this unrealistic and those executives who end up relatively uninvolved in key decision-making become disengaged, as they come to realize they've been handed a rubber stamp rather than the brass ring.

The truly powerful executive team members aren't any happier. They sit through long meetings sharing air time with less influential peers, going over issues they've already discussed with the CEO, simply to preserve the myth of collective action. Outside executive team meetings, new committees proliferate (HR, health & safety, budget, etc.) so team members can coordinate amongst themselves. One executive I met had 37.5 hours (!) of such meetings lined up every month.

So what can a CEO do about an oversized executive committee? If your executive team has more than seven members, here are four actions you should consider taking:

Rethink your executive team's purpose. Rather than starting with what you think your team *should* be playing, step back and examine what role it is *actually* playing. Analyse its outputs, both tangible and intangible. Then keep only the things that truly add value and that can't otherwise be achieved more effectively.

Remove players. This is easier said than done given the status and financial rewards executive team membership affords. Nonetheless, some CEOs have used recent crises to downsize their teams and re-allocate responsibilities to the remaining members. The benefits, real and symbolic, are numerous. They include forcing the remaining executives to share the burden of inter-function mediation that CEOs have had to shoulder. However, be careful: you are only asking for trouble if, as I've seen happen, you give an executive responsibility for two areas which traditionally counterbalance one another (e.g., sales and legal affairs).

Create an executive team "sub-committee." Many CEOs hesitate to do this for fear it will demotivate those who are excluded. This is understandable if there is no clear rationale for such a move. However, there often is. Simply ask: what are the issues that are repeatedly on the team's agenda but that only concern a handful of members? In one company, it was contract negotiations and thus it formed a committee composed of the CEO, the Sales head and all business unit leaders. Another formed an "OpsComm" which eased tensions by giving more air time to operations executives who felt their issues were not thoroughly addressed in the broader executive team meetings.

Balance your inner cabinet. If a CEO has good reason not to reduce their executive team, they need to pay attention to their inner cabinet — an informal group of one, two or sometimes three confidants — who help make or finalize decisions. Many CEOs don't care to admit they have such a cabinet for fear others will clamor to be admitted. This secrecy prevents them from thinking about whether or not they are surrounding themselves with a balanced set of advisors. Thus, for example, CEOs who are financial specialists should be careful if their main confidant is the CFO.

At the least, CEOS with large executive teams should resist the temptation of adding members unless absolutely necessary. The current pressure on organizations to name a Chief Digital Officer is only the latest test.

Jacques Neatby advises North American and European executive teams and is a guest lecturer on executive team effectiveness in the HEC Paris and McGill-HEC Montreal executive MBA programs