

A CEO for all Seasons

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The authors are senior partners at McKinsey, a lot of this work is based on interviews and work with their clients

The desire to divide experiences into beginnings, middles and ends is entrenched in human nature.

The journey of a CEO is no different. The role has a beginning, a middle and an end.

The 4 stages of a CEO role

Spring – preparing for the job

Summer – transitioning into the role

Fall – navigating the middle years

Winter – transitioning out of the role

The best CEOs generate a higher shareholder return than their peers at every stage

The human tendency to overestimate our own abilities , achievements and performance is called the lake Wobegon effect

CEOs tend to display more of the lake Wobegon effect. That is, they estimate their performance to be better than what their direct reports and the board evaluates them. This is the blind spot

A New CEO consistently rates himself/herself higher than direct reports and board on culture and personal effectiveness.

80 % of the time the CEO rates himself over board rating.

The 20 % of the time where the board is more bullish than the CEO is in the early stages of the CEO tenure, because the board has hired the CEO !

Mid tenure CEOs consistently overrate themselves on vision and perspective

Exiting CEOs overrate themselves on strategy and teamwork.

Since the 1950s, fewer people have made it to the CEO of a fortune 500 company than have scaled Mount Everest.

You become a prisoner of other peoples judgement in your desire to prove your self worth.

If the main reason you want a CEO role is for the title and ego, then its unlikely to be a motivator over a long period of time.

One of the first things Mary Barra did on taking over as CEO at General Motors is to abolish the 10 page dress code booklet and replace it with two words “**dress appropriately**”

The headhunter is your ambassador to the search committee.

Change is something that happens to people, transition on the other hand is internal, it is what happens to peoples minds as they go through change

To be a good CEOs have to establish three things

Time management
Talent placing
Operating rhythm

The reason complacency sets in more emotional than intellectual

Every successful CEO we met have taken a collaborative approach to the redefinition of their company's next curve.

When a CEO leaves, it's a lonely world.

Harry Truman said after he left office” Two hours ago, I could have said 5 words and they would be quoted in every capital of the world. Today, I can talk for 2 hours and nobody will listen”

When CEOs leave, they lose power, relevance, attention and admiration. CEOs suddenly find themselves spending time with their partner who has their own routine.

A CEO has 6 responsibilities

Direction setting

Org Alignment

Leadership Mobilization

Board Engagement

External stakeholder Connection

Personal effectiveness