

The “New” Role of the CEO

Visit

New Paradigms LLC

www.newparadigmsllc.com

Create New Paradigms Blog

Articles & Case Studies

Leadership Matters! Ezine Sign-up

Mark Herbert

Principal, New Paradigms LLC

mark@newparadigmsllc.com

541.741.3490



The “New” Role of the CEO

By Mark Herbert

Visit

New Paradigms LLC

www.newparadigmssl.com

Create New Paradigms Blog

Articles & Case Studies

Leadership Matters! Ezine Sign-up

Mark Herbert

Principal, New Paradigms LLC

mark@newparadigmssl.com

541.741.3490

I had an opportunity to read a short article on BNET the other

day and it had a pretty interesting perspective that really caught my attention and I think has relevancy for both large and small businesses. The premise was why the CEO should not be setting strategy. Yep, you heard me right they advocate the CEO step back and they provided some pretty interesting insights as to why.

You don't know everything! One CEO was even quoted as saying “I'm lucky if I am right 50% of the time!” They go on to say that attempting to have all the answers can lead to “analysis paralysis” you create a co-dependent, slow and unresponsive team. Everybody waits on you to tell them the “right” answer.

It inhibits others and prevents meaningful ownership in the processes and the decisions. Any of you who have read my stuff or heard me speak know about my bias about commitment rather than compliance. When it comes “from the top” even though it is meant as a suggestion it can be perceived as an order. This is especially true in cultures with hard driving or founder based CEO relationships.

In larger organizations there is also the possibility that the strategies may outlive the CEO! In many Fortune 100 organizations the life span of the CEO is less than five years! This can encourage a focus on short term results (sound familiar) rather than what is in the interests of the organization over the long haul.

So what should you be doing? Well, I have several suggestions for you, beginning with Marcus Buckingham's comments on the most critical role in leadership.

“Effective leaders don’t have to be passionate. They don’t have to be charming. They don’t have to be brilliant...They don’t have to be great speakers. What they must be is clear.

Above all else, they must never forget the truth that of all the human universals...our need for clarity is the most likely to engender in us confidence, persistence, resilience, and creativity.”

-Marcus Buckingham, the One Thing You Need to Know: ...About Great Managing, Great Leading, and Sustained Individual Success (Free Press 2005)

The number one role of the CEO is to create that clarity! Beyond that I would add some additional suggestions-

1. Set the key organizational goals.

Not the process, but the goals.
Let the team come up with the
how, you establish the what.

2. Create engagement and commitment from your top team.
This may be your key role.

Creating commitment to the vision and the strategy creates buy in and support. This requires building mutual trust and respect. Require them to disseminate the model through the organization.

3. Role model the organizational values and ensure that every strategic action is in alignment with those values. I have put it as being flexible about process, but ruthless about principles. If it doesn't fit the core values or core strategy it doesn't happen, period!

“The foundation of every healthy relationship is trust.”

4. Be the chief communicator. You should be communicating the key priorities and key strategies over and over. You should be doing it one on one and in large group settings and presentations. When people

hear it from you over and over it leads them to understand that it isn't optional and it isn't going away. You can't delegate this role to someone else!

5. The buck stops with you. You should retain the final say on critical decisions. You need to sign off on the strategy and the “big” decisions personally. The staff, the Board, and your customers need to know that you personally endorsed the decision.
6. Have people's back! The foundation of every healthy relationship is trust. Similar to the buck stopping with you, your staff needs to know they won't be a casualty for an erroneous decision or mistake. I am not saying absolve them of bad decisions or mistakes, but “throwing someone under the bus” leads to hedging and destroys trust. Accept the blame and take action privately. You will develop a reputation as a leader to be trusted.

I would tell you that this new “role” is applicable to the entrepreneur as well as the Fortune 100 CEO, in fact maybe even more so! In so many cases it is the owner/founder who becomes the bottle neck that is how they created their company! If you can't get beyond that you are building a time bomb into your organization.

Creating engaged organizations leads to results that your peers and competitors will envy. Here is a way to start.

Mark F. Herbert is an author, speaker and consultant serving credit unions and other organizations on a national basis. He is a principal in the consulting firm of New Paradigms LLC and has over thirty years of experience as a consultant, manager, and executive. He can be reached at Mark@newparadigmsllc.com.