

LEADERSHIP TOOLKIT

Being a Great CEO

A Guide to Mindsets and Competencies

Drawing insights from CEO Excellence, by Carolyn Dewar, Scott Keller, and Vikram Malhotra, and research by McKinsey & Company, here is a concise guide to what it takes to excel as a CEO.

The 6 Essential Responsibilities of a CEO

- 1 Setting the Vision and Strategy**
Define the organization's purpose and align it with long-term goals.
Balance ambition with realism, ensuring adaptability to a dynamic environment.
- 2 Driving Alignment and Engagement**
Build trust with stakeholders and foster a unified culture.
Use communication as a tool to inspire and ensure clarity.
- 3 Shaping the Senior Team**
Focus on hiring, developing, and retaining world-class leaders.
Be decisive in replacing team members who are not a cultural or performance fit.
- 4 Allocating Resources Effectively**
Prioritize investments based on strategic goals and ROI.
Overcome inertia by reallocating resources boldly and dynamically.
- 5 Driving Performance**
Set audacious yet achievable goals and hold the organization accountable.
Foster a culture of continuous improvement and high standards.
- 6 Nurturing the Board Relationship**
Engage with the board as a strategic partner, not just a compliance body.
Leverage their expertise while maintaining CEO authority.

CEO Mindsets

Think Like an Investor, Act Like a Founder

- **Data Point:** Research shows that the best CEOs allocate up to 40% of their time on resource reallocation decisions, ensuring that investments align with strategic priorities and long-term value creation.
- Focus on returns and opportunity costs, but also maintain a founder's urgency to innovate and execute. Operate as if every decision directly impacts your own wealth and reputation.

Obsess Over Talent as the Greatest Lever for Growth

- **Data Point:** McKinsey research highlights that 80% of a company's performance advantage comes from having top-tier talent in critical roles.
- View your senior team not just as executors but as multipliers of impact. Spend disproportionate time on recruitment, coaching, and leadership transitions.

Navigate Complexity with Clarity and Courage

- **Data Point:** CEOs face an average of three high-stakes decisions per week, often with incomplete data.
- Cultivate the ability to simplify complexity and make bold choices under uncertainty. Clarity inspires confidence, and courage propels action in ambiguous situations.

Operate with a Stakeholder Ecosystem Perspective

- **Data Point:** Companies that prioritize stakeholder value, rather than shareholder value alone, outperform their peers by 2-4% annually in total shareholder returns over a decade.
- Shift from a shareholder-centric model to one where customers, employees, communities, and shareholders are seen as interconnected. Build trust and create sustainable value across the ecosystem.

Commit to Relentless Self-Improvement and Resilience

- **Data Point:** Studies show that resilient CEOs recover from setbacks 50% faster and are more likely to achieve strategic objectives.
- Continuously seek feedback, stay curious, and invest in personal growth. Develop routines for physical and mental resilience to sustain high performance in the face of constant demands.

Key Competencies to Assess

- **Strategic Thinking:** Ability to anticipate trends and position the company proactively.
- **Decisiveness:** Willingness to make tough calls swiftly and confidently.
- **Emotional Intelligence:** Capacity to build relationships, manage conflicts, and inspire teams.
- **Execution Excellence:** Strong focus on delivering results through disciplined processes.
- **Adaptability:** Flexibility to navigate uncertainty and pivot as needed.

Reflection Questions

How will you integrate these learnings into your leadership? Ideas include:

1. Which of the key competencies is my strength? Which do I need the most work on?
2. How well do my short-term priorities align with our vision and long-term goals?
3. Do I have the right senior team in place to execute our strategy?
4. Am I allocating resources effectively to maximize impact?
5. To what extent do I inspire trust and alignment across all stakeholders?
6. How am I evolving personally to meet the demands of this role?