

Advice for transitioning into the chief-executive role

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While every transition is unique, here are some pointers for executives moving into the top job.

Congratulations on being chosen as CEO. It is a role unlike any other: you have an incredible opportunity to influence your company and all its stakeholders. However, this unique opportunity comes with unique challenges. You will have new responsibilities to—and more intense scrutiny from—your board, investors, the media, and regulators. You are also now peerless, which can be lonely. Being “the one” exponentially increases the demands on your time. From here on, the buck truly stops with you.

You will no doubt get plenty of general advice from many people during your transition. This will fall into one of three categories: basic but helpful, “swing factors” that can make the difference between success and failure, and generally irrelevant or unhelpful. The purpose of this note is to help you determine which is which.

Basic but helpful advice

In the simplest terms, you are well advised to take stock of your situation before taking action. One key aspect of this process is understanding your “license to operate”—that is, the expectations of all your stakeholders and your ongoing legitimacy in their eyes, as well as the state of the business, the culture, and your team. Another aspect is connecting with your convictions: your core beliefs about how things work and how to move forward, your strengths and weaknesses, and the legacy you build. These convictions will be your compass in the melee of activity during your transition.

With an ample understanding, you will want to move to action quickly. You can build legitimacy by, for example, getting the right team in place, by making decisions and taking actions that are emblematic of the needed changes and reflect an understanding of the business and its culture, and by communicating your expectations while not boxing yourself in. You will also want to start aligning stakeholders on the desired direction by setting the change agenda, reshaping expectations as needed, and putting in place your operating model.

Swing factors

You would also do well to consider the top ten less obvious lessons from CEO transitions, successful or not:

- Ignore your board at your peril—in particular, establish a strong relationship with the chairman or independent lead director.
- Asking goes further than telling—it may take longer but creates far more alignment and motivation, which, in turn, dramatically accelerates impact.
- You can never move fast enough on people—not moving quickly is the number-one regret of many CEOs—and you may even have to move on some people who have been loyal to you.
- What you say isn't necessarily what people hear—when you task them, be absolutely certain that they fully understand what you are asking for and why you are asking for it.
- Play to your strengths—leopards rarely change their spots, so remain authentic to yourself and fill the gaps by leveraging the people around you.
- You alone set the tone—you will face ten crises a day, so make sure you choose your reactions; don't let them choose you. In other words, exercise self-control.
- Manage your energy, not your time—the quality of your presence matters more than the quantity.
- Team-building exercises don't build your team—it is more valuable to do real work together on issues of substance.
- Think as much about the consequences of what you do as about the rationale for why you do it—think through the “second bounce of the ball” to avoid unintended consequences.
- Focus on the “one thing”—simplify, simplify, simplify by being clear about which metrics, initiatives, people, and so forth matter most.

Generally irrelevant and unhelpful advice

Our experience suggests that it is impossible to generalize about the drivers of success and failure in CEO transitions beyond the points mentioned above. Every CEO transition is unique—far more so than transitions to any other senior executive role. Apart from these principles, we suggest that you treat generic advice with caution.

Your best bet to ensure a successful transition is to find a thought partner who can be a sounding board, confidant, and sparring partner. Look for someone who understands the role

of the CEO, has (or will invest in getting) a full appreciation of who you are, will be straight with you—and has no interest other than your success.



We hope these thoughts help you cut through the noise of all the advice you are and will be receiving as you take on your new role—and pave the way for a massively successful transition to the role of CEO, and an equally successful tenure. □