



How CEOs learn

Learning from peers, turning to mentors, and practising new skills are the three modes in which CEOs renew themselves.

The principles of leadership were once considered timeless, but the men and women who run the world's biggest organizations today unanimously remark on how operating in the present business environment is dramatically different from even just a decade ago.

Our research shows that the chief executive officer's (CEO's) role is made especially challenging by three new developments. First, leaders are managing in an age where disruptive technologies, volatility and multiple, interconnected global crises create a constant state of flux. Second, the nature of decision-making has changed fundamentally. While earlier CEOs made decisions based on instinct or past patterns, these approaches no longer work in the contemporary complex business environment. Finally, CEOs now face unprecedented personal demands. This includes the need to be available at all times, a concomitant 24/7 scrutiny, and high levels of physical, mental and emotional energy necessary to consistently demonstrate good judgement. This requires CEOs to be on a learning curve all the time and along multiple dimensions, just to keep pace with the requirements of their role.

However, most CEOs find themselves grappling with certain enemies of learning that prevent them from being fully open and receptive on their learning path.

The first is the inability to say I don't know. Having reached the pinnacle of their careers and been ushered into their roles with high expectations, many are not comfortable with admitting (even to themselves) that they do not know all the answers and need to learn.

The second is the tendency to constantly assess situations, people and issues and, consequently, to be more guarded about learning from others.

The third is confusing learning with acquiring information. Many CEOs do take the effort to gain exposure, speak to diverse people and read widely in their quest to learn. However, they rarely follow it up by internalizing this knowledge and putting it to practical use. It remains, therefore, as theoretical knowledge, without any real leadership benefit.

Finally, many CEOs feel the need to get complete clarity on an issue before embracing it and being open to learning. As a result, so much time and effort is spent in driving towards this clarity that it leaves little bandwidth to learn and embed new ideas or skills.

These four enemies of learning may differ from person to person, but one or more is relevant for almost every CEO. Often, CEOs may not even be aware of these learning barriers in their way. Building this awareness and working around it is an important step in effective learning.

Since merely acquiring new information is inadequate, CEOs need to first identify what they need to know, do and be in order to make their learning more effective. For a start, they need to constantly update what they know—keeping up with the dizzying pace of developments in the multiple worlds of, for instance, market evolutions, technology or innovation. For example, a CEO of a conglomerate recognized that he needed to gain a deeper understanding of financial markets for a new business they were entering. Another CEO, who had grown through the ranks in a technical capacity, realized he needed to gain a grasp of marketing.

Next, CEOs need to raise the bar on what they can do—new skills they can learn, embed and demonstrate on a day-to-day basis (for example, conducting challenging reviews, motivating people, negotiating deals) such that it becomes second nature to them and does not lead to wasting energy in constantly reinventing the wheel.

And third, they need to focus on what they should be—the mindsets and inner mastery required to be able to balance the intense physical, mental and emotional demands made on them.

Once the leader has invested some time in discovering what needs to be done, he or she can choose how they want to go about it. In our experience, there are three modes in which CEOs renew themselves on dimensions on know and do: learning from peers outside their company; turning to mentors who have been there and done that; and practising and embedding new skills consciously. The aspect of what they should be is often a longer journey of personal mastery.

Learning from peers outside the company

Many CEOs remain current, imbibe new ideas and challenge themselves by networking with fellow CEOs in peer groups. This approach to learning can range from deliberately choosing exceptional individuals (or a group of people) to associate with, or visiting organizations of excellence across different industries or geographies, or attending peer conferences and other networking events to learn how other senior leaders operate.

The CEO of a conglomerate is an enthusiastic proponent of this approach. He maintains a list of CEOs whom he respects and likes to emulate, and makes it a point to connect with them regularly. Often, when he travels abroad, he has a specific list of people in mind that he would like to meet to broaden his perspective. For instance, during the global financial crisis in 2008, he spent two days meeting a range of Wall Street CEOs with the sole purpose of gaining a first-hand idea of what was happening in that chaotic business environment. He remarked that these meetings gave him an

invaluable sense of the issues that lay ahead in the coming months.

Another CEO actively seeks out peer group help when facing business challenges. For example, while formalizing performance management systems within his organization, he was not convinced by the recommendations put forth by his own teams. He then spent time with several other CEOs he respected from around the world who had worked through the same issues. This provided him with both the validation to work on these issues as well as some early ideas on how to proceed.

Sometimes, this top-class exposure involves members of the team as well. The CEO of an industrial company invested four days with a few members of his top team to visit an automobile manufacturer, considered a benchmark in continuous improvement. He found that he and his team returned with renewed energy and fresh ideas to implement at his own company, something that would have been difficult to achieve if he had stayed within his immediate environment.

Turning to mentors who have been there and done that

Many CEOs have mentors who they regularly tap for ideas and guidance. One CEO enjoys a very healthy relationship with his predecessor, and schedules regular meetings with him. He finds it a valuable way of having an independent sounding board for new ideas, as well as getting experienced inputs on particularly tricky issues.

Another CEO happened to meet with the former CEO of one of the largest companies in his sector. They formed a friendship that later developed into a mentoring relationship where the CEO receives help and support on a variety of areas, especially complex people issues.

This kind of reliable and unbiased mentoring support is invaluable for CEOs who are striving to remain ahead of the curve on a range of complex issues.

Practising and embedding new skills consciously

Many CEOs prefer to learn and internalize by actual practice. The CEOs who adopt this method of learning take three preliminary steps. First, they increase their own awareness of their learning gaps and its impact on the organization. Second, they motivate themselves to make the change. And finally, they identify the right source to learn from, and follow it up by practising the newly-acquired skill extensively and working with discipline on the feedback.

One CEO, for instance, was frustrated by his inability to communicate tough messages to his team, especially the people he knew well. After a round of 360 degree feedback, he worked with a personal coach on the skills and techniques required for tough conversations. When such conversations subsequently arose, he made sure he practised his new skills and tapped his team for feedback to bolster his recent learning. Recognizing that it was a skill that his entire top team needed to learn, he organized a three-day offsite for the team so that this new learning would be embedded at different levels of the organization.

Another CEO who chose this practice and embed approach had identified effective delegation as her learning challenge. She would invariably be involved in every decision—even relatively minor ones. Once she became aware of how this was affecting her effectiveness, she organized a session on the principles of good delegation with her top team. At the end of this session, she prepared a one-page plan that specified the major tasks ahead and detailed how she would delegate each of them. She spent the next few months practising her new approach and receiving

feedback on her progress. This new skill is now part of her DNA.

Encompassing all these three approaches to learning that address know and do, CEOs need to pay attention to who they need to be. The journey towards acquiring that personal mastery is largely self-driven and CEOs take multiple routes towards moving forward. Some like to undertake this journey of understanding and change on their own, mainly through self-reflection and electing to reframe certain mindsets on a consistent basis.

One CEO chooses to spend three days at the end of every year reflecting on what he has accomplished and how far he has travelled down the road towards overcoming limiting mindsets or behaviours. He then defines what changes he has to make to his inner being and works on them over the following year.

Others prefer to involve their team in the journey, taking part in sessions where they jointly identify mindset and behavioural challenges, and work together to overcome them. Some others could take a more drastic route, spending days in leadership camps in the wilderness, attempting to reach a less cluttered understanding of themselves. While the journey may sound esoteric, the aim is practical—to explore what needs to be learnt and which approach would work best.

CEOs today can choose from diverse ways in which to continue their learning, depending on their natural mindsets and preferred learning style. The CEOs who enjoy the most satisfying and powerful results are those who take decisive ownership for their development and recognize that it is a continuous journey.

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Published in *Mint* on March 11, 2014