

# Am I Ready to be CEO?

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Part 1

CEO Leadership Services



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At the end of the day, there are two questions related to your CEO readiness:

- How well do your abilities match with the current and future requirements of the CEO role?
- How well does the CEO role match with your current and future requirements and aspirations?

On balance, there is much more consideration given to the first question than the second. And that consideration is heavily weighted to the perspective of the organization. There are well established, reasonably sophisticated organizational processes in place [e.g., board selection committees, talent reviews, succession planning, executive assessment] to ensure the organization's needs are met.

What processes are in place to ensure your needs are fully anticipated and considered? Historically, except for retention focused [mostly compensation] initiatives, your aspirations, requirements, goals and dreams are your domain, not the organization's. Yet, we find that most CEO's and aspiring CEO's either have not taken enough time to anchor their own career management in a solid fact base of information about themselves, or they are not fully current in their thinking to build a plan to ensure their own sustainable success.

In this article we hope to provide you with a basic framework to answer the question "am I ready to be CEO?" Our perspective is focused on the individual, to help balance the strong focus on the organization. In part two of this series, we will report on the results of our conversations with aspiring, current and former CEO's to better understand their answers and advice on the question, "am I ready to be CEO?"

The **CEO Readiness Framework** shown on the right outlines a framework to begin thinking about and answering 'sub questions' necessary to build your personal plan to ensure CEO readiness and success.

- What are my requirements?
- What is my offer [value proposition]?
- What are the requirements of the CEO role?
- What does being in the CEO role offer to me?

## What are My Requirements?

The energy to perform at a very high level, on a sustained basis, requires a good fit between [1] your requirements and [2] the requirements of the role as CEO.

For most people, energy comes from personal needs being met. While in the short term most can 'gut it out,' sustained satisfaction, motivation, and success require that your basic needs are met. What is your plan to ensure you have the energy to sustain the level of performance required to be CEO?

To begin, reflect on how much time you have spent asking and answering the following questions.

- What are my personal interests, values, and goals? How will they impact my success in the role?
- What will I do to fully engage my interests, values and goals, balanced with the needs of the role of CEO? How does my day look, if I am looking forward to that day?
- What kind of culture do I best fit with? What type of people do I best like to work with?
- How do I want to spend my time? How much do I want to work?
- What do I want to accomplish long term? What do I want my legacy to be?
- What is changing or will change [in my life] that will impact what is important to me?

Do you believe thinking about these questions, and building well considered, integrated answers, will help you to get ready to be a CEO? And will an organized process to do so also impact your success as a CEO? If so, what is your process for answering these questions, so that you build a solid base of understanding about your requirements?



### CEO Readiness Framework

Your readiness to be a CEO will be enhanced if you understand relevant facts in each quadrant of the framework, and then build a plan to create a reasonable balance between the four quadrants.

Do you believe it is important to do so?

## What Is My Offer?

You have been highly successful in your career to date, with well developed strengths and a competitive advantage that you have leveraged often.

But, how favorably do you stack up against the requirements of being a CEO? Or a specific CEO role? Or your competition? Can you answer these questions, with confidence?

- What are my technical skills, competencies, and unique work experiences? What's missing? Why?
- What is my natural value proposition? How well does it fit the role as CEO? What can I do to adapt or improve my offer for now and in the long term?
- What business challenges do I want to solve?
- What is my competitive advantage? What gives me a leg up on my competition? What is my brand? Do I have a PR plan?
- What kind of leader am I? What is my leadership philosophy? Do I fit with [this] organization's culture?
- Do I have good sources of unbiased, objective information? Am I aware of the organization's view of my strengths and areas needing development?
- And, how well am I meeting my requirements, to ensure my own satisfaction and sustainable energy?

Organizations today are creative in bringing solutions to enhance and support your offer, based on the organization's requirements. Examples include talent reviews, executive coaching, mentoring, leadership development, and high potential programs. What's usually missing is your input into the process. What influence can you have in making sure your requirements are accounted for in the succession process?

## What are the Requirements of the CEO Role?

Certainly there are many sources of information for you to build an informed fact base on the requirements of being an exceptional CEO, including leadership research, executive coaches, sitting CEOs, books, and executive search firms.

As a potential CEO, it is your responsibility to have a solid grounding in the requirements of a highly effective CEO and how those requirements are changing.

## What are the Key Requirements for the Specific CEO Opportunity?

Requirements of the CEO role vary considerably based on the marketplace, organization, team and role. What is your process to understand the specifics of the opportunity you are considering? Initial questions include:

- Marketplace: What's happening in the relevant market? Industry? Competitors? Do the issues play to my strengths? What are shareholders/owners saying?
- Business: Do I understand the key business drivers? What are the primary challenges? What about the board?
- Team: What would the ideal team be to support success? Are the key players in place? What's my plan to build engagement with the strategy?
- Role: What are the top skills, experiences, and approaches required? How well do I match up?

The better you understand the needs of the specific CEO role, the better chance you will have to make an informed decision about whether you are ready to succeed in the role. In many ways, all aspiring CEO's need a thorough due diligence process that objectively defines the requirements of the situation. Without it, you're just making a high stakes guess. Yet, we find career decision making by senior executives consistently lacks a thorough fact base. We believe CEO turnover would be significantly reduced if aspiring CEO's had a better information gathering and decision process.

## How is the Role Changing? Am I Staying Current?

Have you been looking outside, to the future, enough? Our experience is that many operating executives spend most of their time focused on the organization, and on customers. Few spend enough time getting ready for the CEO role by staying highly focused on future political and economic trends, global issues, best practices, and demographics. What's your plan, starting today, to stay informed and current?

## What does the CEO Role Offer to Me?

Often CEO candidates get caught up in the process of winning the job, and don't focus attention on the real pros and cons of the role, that are relevant for the individual.

## Does the Opportunity Really Meet My Requirements?

Yes, the corporate jet will be nice. And the other perks. But, how does the role really stack up against your short term and long term requirements for satisfaction and success? And if it doesn't, do you understand where, and what you will do to mitigate the impact on your own energy and mind set?

## Will I Get to do Things I Like to Do?

Given that you have a good sense about what you like to do, how well does this role meet your needs? What is the quality of support that you will have in getting your job done? Can you influence this situation in a way that ensures shared success?

## Can I be me? Will I be Able to express my Beliefs and Leadership Philosophy?

Culture fit remains one of the most important aspects of sustainable success for CEOs. What is the culture of the organization? What is your process to understand that culture? And while your role may very well be to influence or change the existing culture, many CEOs have failed because of too little attention to the longstanding requirements for behavior within the organization.

## What's My Plan?

It is our belief that the best starting point for the process of building a plan to ensure your CEO readiness is "My Requirements." Your answers to the questions presented in this quadrant of the CEO Readiness Framework create a strong basis for a gap analysis and an answer to the question, "am I ready to be CEO?" Just as importantly, it will help you answer other questions including, "what do I need to do to get ready to be CEO?" And, "what type of CEO role is a best fit for me?"

If you are able to capture your thinking about each quadrant of the framework on one sheet of paper, it may be helpful to lay each sheet out into the framework format, and begin to look for overlaps and gaps. These questions may help:

- How well does the role meet my requirements? Where are there gaps?
- What areas am I well prepared for to meet the requirements of the CEO role? What do I need to do more of or better to be successful in the role?
- Where do I see clear areas that need immediate addressing [gaps], and where do I see clear leverage points [overlaps]. How have I been groomed so far? Versus what is required in the job?
- What's my plan to address these gaps and leverage these overlaps? Do I need more information and feedback? Who should provide input?

In putting together potential action items, focus on items that may impact multiple dimensions/quadrants, to build your success and the success of the organization.

## Implementation of My Plan

Successful plan implementation usually revolves around the question of priority. Pick one or two areas to start, versus five or ten. As you accomplish something, move on to the next item. Build a timetable. Other issues include:

- What potential barriers exist to successful plan implementation? How do I get support?
- When do I know I have been successful?

- How do I keep the plan alive in the longer term to achieve my goals balanced with the organization's goals?

## A Note about Risk

Career risk for CEOs is real in today's world. It's your responsibility to assess and anticipate your career risk to ensure that you are not assuming unseen risks in pursuit of your goals. The process outlined here is in many ways a fact-based strategic planning process to help you understand and mitigate career risk as you pursue and undertake the role of CEO. With a solid plan, you can reduce risk and enhance your long term success

## A Note on the Importance of Goals

This article is written with an important assumption in mind: that your goal is to become CEO.

But, what will you do after becoming CEO? There is compelling data about CEO tenure being on average under 5 years. For sure, a good plan based on facts in the four quadrants of the CEO Readiness Framework, is a first step to help ensure your risk is reduced.

However, we believe additional risk is introduced when CEO's don't have additional goals beyond securing and excelling in the role. Goals keep people on edge, driving for something new and challenging. And this energy shows. The day you achieve your goal of becoming CEO, should be the first day of planning for your next goal.

## For More Information

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