

What leaders need 2007

Key performance areas
Employee attitudes
Main messages



living performance

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Executive summary

*King Lear: Who is it that can tell me who I am?
Fool: Lear's shadow.*

Shakespeare – King Lear

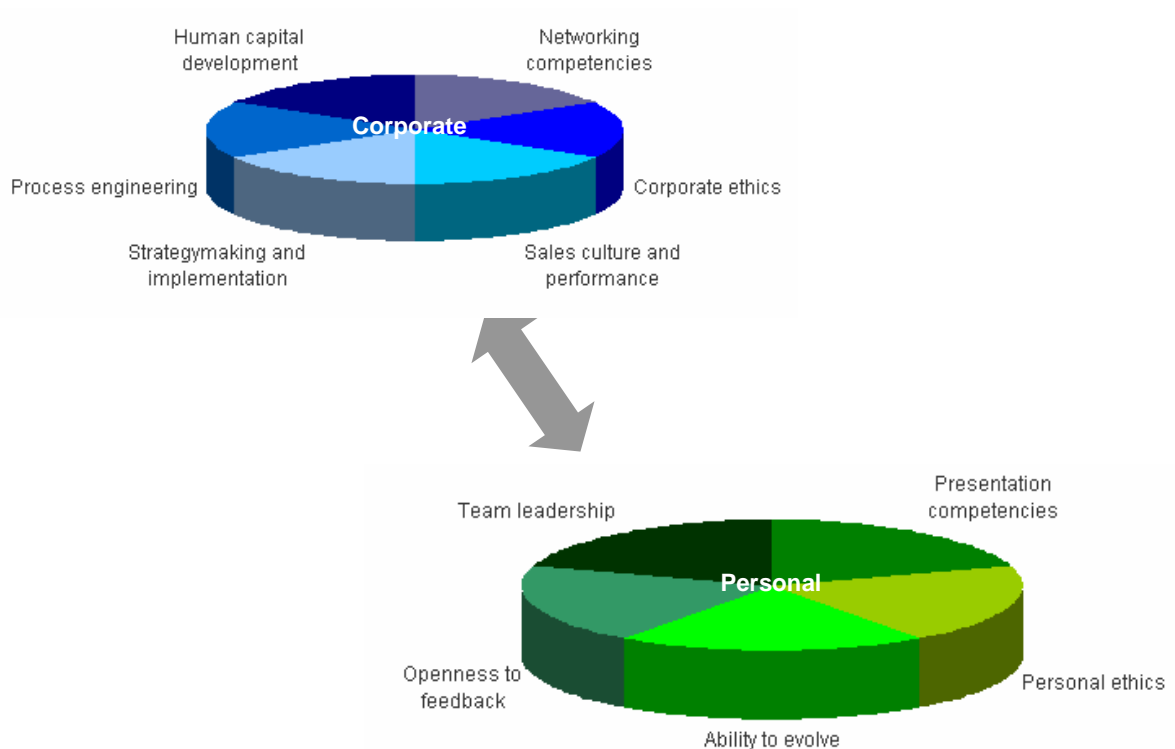
If corporate governance is working well, a CEO should have a pretty clear picture of what his closest stakeholders think of his performance. If communication is working well, he should therefore know what his *employees* think.

And yet, how often is this so? If employees could tell their CEO where he or she could benefit from coaching, what messages would they give? Like King Lear's fool, who dares to tell the truth where others do not, this issue of Vision Research Briefing confronts CEO's with the honest opinions of their employees.

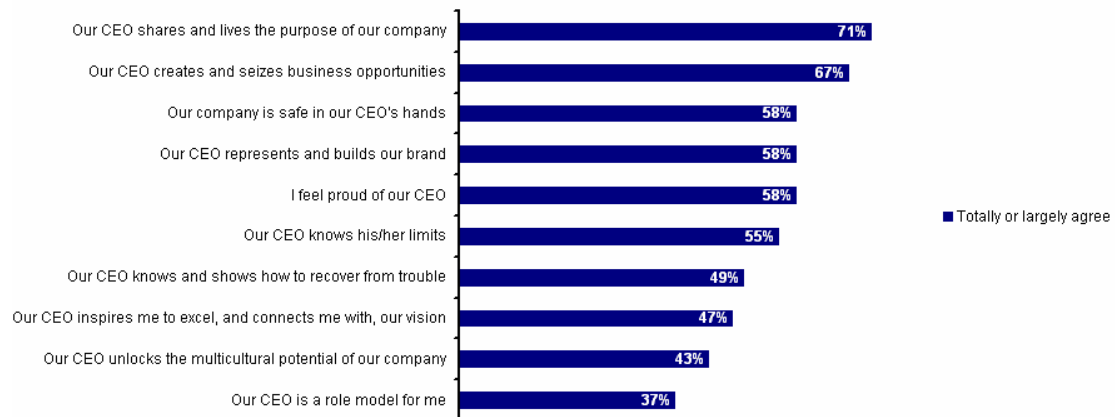
Addressing two main levels, corporate, and personal, we explore eleven domains crucial to the CEO's performance (see below). For example, 'strategymaking'. Related to each domain is a set of sub-areas, for example, 'setting measurable goals'. We ask employees, do you believe this area is important? (90% or more of people agreed that the vast majority of the areas were important). If important, 'to what extent does your CEO need coaching in this area?'. The areas explored are visible – employees can observe the CEO's performance from a distance, even if they do not have a personal relationship with him or her.

We finally seek people's overall impressions of the state of affairs in their company, and of their CEO.

497 people from across Europe responded to the survey, which was conducted online and independently analysed.



Impressions of the CEO



CEOs visibly share and live the company's purpose. Yet, considerably fewer people view him or her as a brand builder. And only a minority view their CEO as a role model.

At the highest level, as a guiding light for the organisation, 71% largely agree their CEO shares and lives the company's purpose. Yet far fewer view their CEO as a true brand builder or representative, and fewer still actually feel proud of their CEO. Less than half of employees say they are inspired to excel by their CEO, or that he or she connects them with the vision of the company. Furthermore, only 37% of employees see their CEO as a role model.

Feelings aside, how are CEOs performing as hardheaded guardians of the businesses they serve? Nearly 70% agree their CEO creates and seizes business opportunities, but only 58% believe the company is safe in their CEO's hands – and around the same numbers (55%) agree he knows his limits. Are CEO's taking too much risk? Furthermore, in the case of trouble, only 38% of people believe the CEO knows and shows how to recover.

Despite the variable impressions they have of the CEO, 71% of people believe the viability of their company is sustainable and around the same numbers agree it achieves its financial targets. Despite this, only 42% of people believe that the company is ahead of the competition at the present time.

Areas of learning for the CEO

If you consider this area is important to the role of CEO^[1], to what extent does your CEO need coaching in it?

CEO needs no, or little, coaching.		CEO needs quite some, or considerable, coaching
%		%
62	Presentation competencies	22
62	Personal ethics	21
52	Networking competencies	25
49	Corporate ethics	27
49	Ability to evolve	26
45	Sales culture and performance	28
44	Strategymaking and implementation	29
42	Process engineering	27
40	Openness to feedback	35
37	Team leadership	34
33	Human capital development	37

^[1] 90% or more people thought each area important to the role of CEO in most cases. Where lower numbers of people judged an area important, this is stated in our full report.

Confident presenters...

62% of people say their CEO needs little or no coaching in presentation competencies – he or she inspires, and transmits an image of both confidence and integrity.

...with strong ethics..

It is natural that CEOs transmit an image of integrity – because apparently, the image reflects reality. 62% of people believe the personal ethics of their CEO are in good health. By 'ethics', we refer to the way in which the CEO demonstrates moral integrity and 'walks the talk'.

..and some difficulty replicating ethics..

If 62% of people believe their CEO's *personal* ethics can do with minimal help, far fewer – 49% - believe he should carry on as usual when it comes to *corporate* ethics. By 'corporate ethics', we mean anchoring clear values and principles, ensuring success is achieved in an ethical way, applying reward and/or punishment systems and ensuring that the organisation enjoys transparency and openness. Here, 27% of people believe that their CEO needs quite some coaching to ensure that his personal integrity is reflected by the wider organisation.

Strong on networking...

A CEO poor at networking is difficult to imagine, and indeed, 51% of people agree their CEO needs little or no help in this area. (A sound, if not brilliant, result). We can consider networking, internal and external, as an aspect of 'personal entrepreneurship'.

... and some difficulty instilling corporate entrepreneurship...

Yet, in entrepreneurship, as in ethics, we suspect CEOs are having some difficulty replicating their personal effectiveness. Because, when it comes to helping the sales culture and performance of the *wider organisation*, their performance weakens. Only 45% of people believe their CEO can do with little or no coaching in this area. Indeed, 28% believe he needs quite some help to secure a healthy blend of discipline and entrepreneurship, innovation and a strong sales performance in the wider organisation.

Back to strategy school?

Continuing our journey around the 'hard skills' of the CEO, we arrive at strategymaking and implementation – the stuff MBAs are made of. Here, 44% of people are confident their CEO needs little or no coaching. Yet there are doubts



regarding the CEO's ability to anchor a clear vision and mission for the company. And people are more confident in the extent to which their CEO ensures goals are *measurable* than in their strategic *relevance*. Furthermore, whilst people are generally confident in the aptness and timeliness of the CEO's decisionmaking, the way he reaches out to other stakeholders in so doing is considered suboptimal. Room for improvement, too, in the way that the CEO gives meaning and visibility to change – whilst 40% believe he needs little or no coaching in this area, 35% believe he does need help – hardly a resounding vote of confidence for such a vital element of organisational leadership.

Finally we see signals that the performance of organisations is not solidly supported by their organisational structures, even if corporate governance is well conducted.

...and may we humbly suggest a special module in process engineering?

Whilst on the subject of structures, how about the mechanics of process engineering - the extent to which the CEO ensures resources are channelled to where they are needed and that people have the right information? Or that supply chains are relevant, well defined and efficient? Here 42% of people are confident their CEO can do with little or no coaching. And opinions are divided, suggesting that some honest assessment is in order.

..and a crash course in human capital development?

There is one area where the classroom bell is ringing loudly – human capital development. Only 33% of people believe that the CEO is competent enough to do with little or no coaching. And 37% are actively calling for coaching.

CEOs need help, according to this research, in creating the conditions to ensure people are motivated - and talent retained. Employees are unconvinced that career paths are fulfilling or that relationships and roles are explicit within their organisations.

The present is not secure – what about the future? People are unsatisfied by their CEO's ability to ensure that talent is attracted or that the sociological needs of the next generation are met.

CEO's are, however, doing well in securing diversity. This is fortunate, since diversity is - quite rightly - a big headline in most annual reports.

An exemplary team leader? Some way to go...

Surely the ultimate leader of a company should be exemplary at leading his own team? Beyond any need, at this stage in his career, for coaching?

Perhaps it's time for a refresher course. Only 37% of people believe that their CEO can do with little or no coaching in two vital aspects of leading his top management team – ensuring they take collective decisions and speak with one voice. And 34% actively believe he is a prime candidate for coaching.

The courage to evolve..

How confident can we be that CEO's can *evolve*? The chances seem fair, as 49% of people believe this capacity *in itself* is in reasonable health. Evolution means breaking out of one's comfort zone (consider the very first fish who ventured onto land). And people generally consider that their CEO dares to do this - taking risky or uncomfortable decisions. Also, that he is able to develop his or her skills or knowledge.

How about the really painful truths? Do CEO's learn from their mistakes? Do they evaluate the outcomes of their decisions? Here, more employees suggest that their CEO gets support.

..especially if you dare to face the music.

Earlier, we introduced King Lear's fool – the shadow of the monarch - he who dares to give the feedback others fear to give. A regular feature of the 16th century court, we wonder whether the post of 'fool' should perhaps be reinstated in modern boardrooms. This, because only 40% of employees believe that their CEO is naturally open to feedback – (questioning his point of view and spontaneously admitting mistakes).



Invitation to CEOs



When King Lear asks his fool 'who can tell me who I am?' the fool answers: 'Lear's shadow'. The metaphor still has relevance today, according to this research, and raises core questions for CEOs...

The CEO casts a long shadow. Beyond the direct influence of the CEO, how clearly is his or her vision replicated by the rest of the organisation?

The shadow of the CEO is made up of his followers. How aware are CEOs of the messages those followers are sending?

The CEO takes his shadow for granted. To what extent do CEOs need a reminder of leadership fundamentals?

Every CEO has a shadow side.. Courage can lead to unnecessary risk. The desire to seem strong can lead to a refusal to seek help. How aware are CEOs of this pitfall?

In conclusion...

1. **Involve the right stakeholders.** Ensure your business decisions are based on input from the right stakeholders - including top management teams – and that this participative process is broadcast.
2. **Contextualise change.** Go the extra mile in ensuring that change is clearly linked to a business purpose.
3. **Be an inspiration and an example.** Consider your every contact with employees as a chance to practice what you preach, inspiring them to excel.
4. **Build watertight ethical frameworks.** Keep a close eye on the way ethics are anchored and transparency cultivated. This includes your own openness to feedback, your readiness to question yourself - and your decisions.
5. **Join up the dots.** Ensure people can see the relationship between the daily aspects of their working lives, including the big goals, with strategy, especially the vision of the company.
6. **Protect your most precious asset.** Permanent attention needs to be paid to talent recruitment, development and retention – people do view this as part of the role of CEO.
7. **Open up.** Do you believe that you are too mature for coaching? Do you suspect that people will harshly judge any leader who is open to it? Consider learning as a lifelong process. The honest self assessment involved in coaching proves courage and realism – not weakness.

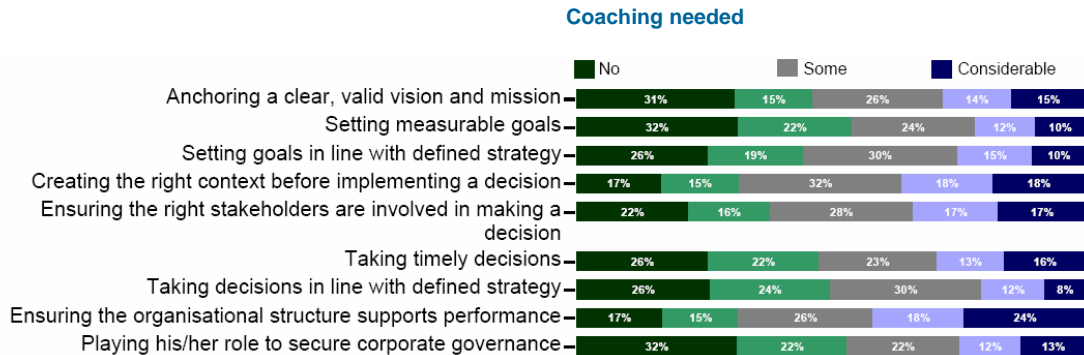


Detailed results



Corporate level

Strategymaking and implementation



Serious improvement is called for in the way CEOs create context and involve stakeholders in decisionmaking.

Strategymaking and implementation –the material of which MBA's are made. Overall, 44% of people are confident that their CEO has little or no need to go back to business school. Closer analysis reveals weakness.

In strategymaking, there are doubts regarding the CEO's ability to set the ultimate course of the company, to anchor a clear and valid vision and mission – only 46% have any degree of certainty that this is the case. And we suspect a disconnect between the translation of this strategy into goals. People are more confident in the extent to which their CEO ensures goals are *measurable* (54% say he needs little or no coaching) than in his insistence on their strategic *relevance* (45% say he needs little or no coaching).

In strategy implementation, people have doubts regarding the timeliness and relevance of the CEO's decisionmaking – around 50% believe he needs little or no coaching in this area. And there is considerable room for improvement in the way CEOs create context before implementing a decision (only 32% believe their CEO needs little or no coaching in this area). Improvement is also called for in the way CEOs reach out to other

stakeholders in the process (38% believe their CEO needs little or no coaching).

We see dissatisfaction, too, in the way that CEOs give meaning and visibility to change. Whilst 40% believe their CEO needs little or no coaching in this area, 35% believe he does. It's a weak result for something so vital to the leaders' role.

Finally we see symptoms of underperforming matrices, in that the performance of organisations is not optimally supported by their organisational structures. Whilst 32% believe the CEO can do without much or any coaching here, considerably more – 42% - believe he needs help.

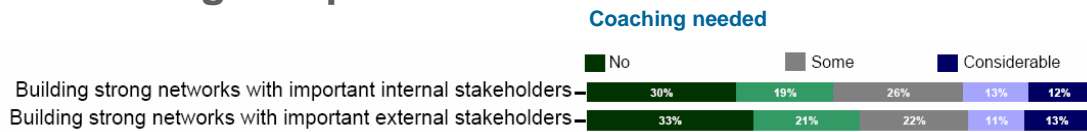
The matter of corporate governance is swiftly rising to the top of the agenda of CEOs, in tandem with an ever sharper focus on organisational trustworthiness. These results suggest that CEOs are - rightly - preoccupied by corporate governance. This is the highest scoring aspect of strategymaking and implementation. (54% of people believe the CEO can survive with little or no coaching in this area). Does practice make perfect? Potentially - but not yet.

Invitation to CEOs

- Double check the strategic relevance of goals
- Ensure the right stakeholders are involved in making a decision
- Pay close attention to the way decisions are contextualised



Networking competencies



In networking, CEOs are only just making the grade.

A CEO who was poor at networking would be difficult to imagine, and 52% of people agree their CEO needs little or no help in this area. CEOs are making the grade – only just.

The figures do however suggest that CEO's are achieving a good balance between their focus on internal, and external, stakeholders - opinions regarding the two perspectives are similar.

Sales culture and performance

The CEO is doing a reasonable job in securing the present. In creating the conditions for the future, ensuring an innovative blend of discipline and entrepreneurship, considerably fewer are satisfied their CEO is competent.

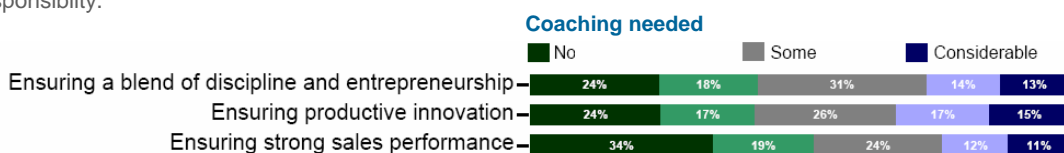
We can consider networking, internal and external, as an aspect of 'personal entrepreneurship'. And once again we suspect CEOs are having some difficulty replicating their personal effectiveness. Because, when it comes to helping the *wider organisation*, the performance of CEOs somewhat weakens - 45% of people believe their CEO can survive with little or no coaching in 'sales culture and performance'. And 28% believe he needs quite some help.

Sales performance is a basic condition for a company's short term survival. 53% believe their CEO needs little or no help in ensuring this performance – although only 85% considered that sales performance an important CEO responsibility.

We also asked about the conditions for medium and longer term survival by looking at two elements:

Firstly, the 'blend of discipline and entrepreneurship' (creativity and dynamism in sales – without the pitfall of chaos). Here, 42% of people their CEO can go on with little or no coaching - yet 27% believe he indeed needs help.

Secondly, 'innovation' (a healthy product and service pipeline – composed of *relevant* or 'productive' propositions). Here the figures are slightly less positive - 41% think their CEO can survive with little or no coaching but 32% actively suggest he gets help.



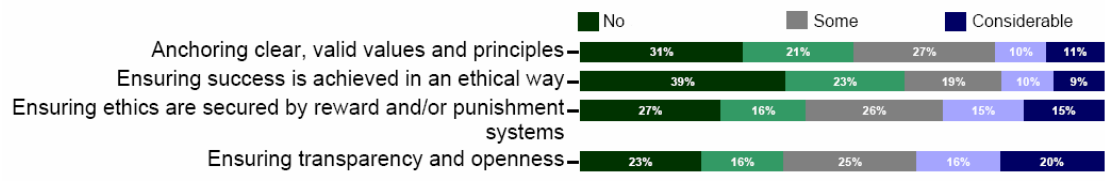
The results suggest CEOs are doing a reasonable job in securing the present. Of those believe that ensuring a strong sales performance is an important part of the CEO's role (85%), 53% say their CEO needs little or no help in assuring this. However, when it comes to creating the conditions for the *future*, ensuring an innovative blend of discipline and entrepreneurship, considerably fewer people are satisfied their CEO is competent.

Invitation to CEOs

- ➔ Beyond sales performance, check and improve the balance between discipline and entrepreneurship in your organisation, as well as the quality of innovation. These are almost certainly interrelated.



Corporate ethics



From the CEO's ethical mindset, to replicable engineering, we see a significant gap.

27% of people believe that their CEO needs a fair amount of coaching to ensure that his personal integrity – (which as we will see later scores quite highly) - is shadowed by the wider organisation.

In the current business climate, the methods by which results are achieved are now scrutinised as much as the results themselves - or should be. Both by auditors, financial and otherwise, by law and by society as a whole.

So it is not surprising that CEOs at least display the mindset of ensuring that success is achieved in an ethical way. (62% of people agree that he needs little or no help in this area). CEOs are less successful in translating ethics into clear and valid values and principles – the moral framework for ethical behaviour. (52% believe their CEO needs little or no coaching in this area).

From mindset, to replicable engineering, we see a significant gap. CEOs are weak in ensuring ethics are secured by reward and punishment systems.

43% of people view their CEO as needing no coaching in this area. However, the area of reward and punishment systems is less associated with the CEO than most other areas surveyed. 81% of people see this as being an important part of the CEO's job.

All in all, CEOs are potentially underperforming when it comes to assuring that ethical systems are well engineered.

When it comes to installing a transparent and open culture – encouraging people to sound alarm bells in the case of trouble – are CEOs doing any better? The answer should give even more cause for concern to CEO's. Only 39% of people believe that their CEO needs little or no help doing this better. And 36% actively think he should seek coaching.

Apparently, the positive intentions of the CEO are failing to make the transition into wider corporate reality, and attention is called for.

Invitation to CEOs

- ➔ Check that corporate ethics are translated into clearly understood and valid values and principles
- ➔ Check, and if necessary improve, the climate of transparency in your organisation.



Human capital development (HCD)



CEOs are ensuring diversity is embraced and nourished. Elsewhere in the area of HCD, the classroom bell is ringing loudly.

We now arrive at an area where the classroom bell is ringing loudly – and this is human capital development. Only 33% of people believe that the CEO can go on with little or no coaching in this area. And 37% are actively calling for it. So, given these low confidence rates, where is coaching called for?

The present workforce

Starting at the very basics, people need help in understanding what they are supposed to be doing. 34% strongly suggest that their CEO needs coaching in ensuring their relationships and roles are explicit. This is not a direct responsibility of the CEO and indeed people associate this area less with the CEO than other areas explored in the report (79%).. However, it *is* the direct responsibility of the CEO to ensure that the organisation as a whole promotes clarity in such a vital area. People are rather confused about their present parameters, and they also lack confidence in their futures. 37% are calling for improvements in the ability of their CEO to ensure they have clear career paths and development opportunities.

Perhaps as a result of these two points, CEO's need some help in ensuring that people are motivated. 42% of people are calling for his coaching in this area – of which 27% believe that such coaching should be 'considerable'. What could be the potential effects on talent retention? Here, around the same numbers are calling for coaching (42%, of which 25% believe it should be considerable).

The future workforce

Many are dissatisfied with the current picture. And they are equally unconvinced by their CEO's ability to attract new employees. 41% believe their CEO needs coaching in ensuring that the conditions for attracting talent are met. 70% of the people surveyed believe that it is an important part of the CEO's role to ensure that the sociological needs of the next generation are met. Of this concerned majority, 36% believe their CEO needs help in this area.

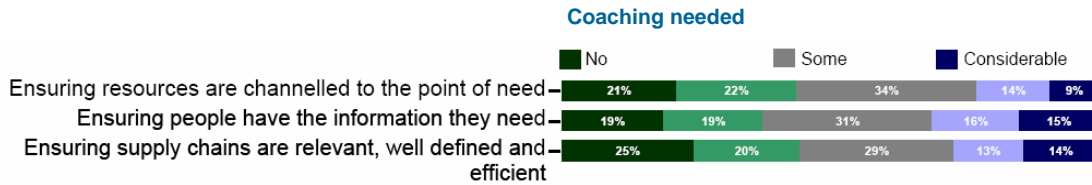
However, there is some good news - CEOs are doing well in ensuring diversity is embraced and nourished – 48% say. And this is just as well for brand value since diversity is - quite rightly - a big headline in most annual reports. Interestingly, despite the regularity with which CEOs make statements regarding diversity, and in a sense take ownership of the issue, only 84% of those surveyed considered this to be an important part of the CEO's role. In every other aspect of talent recruitment and retention, employees are calling for the CEO's personal attention.

Invitation to CEOs

- ➔ Take a more active role in the systems for talent recruitment and retention in your organisation. Employee satisfaction surveys may well reveal some urgent areas of attention.



Process engineering



In process engineering, people believe their CEO is fit to stay in the race. Yet division of opinion suggests gold medals will be hard to come by.

Overall, 42% of those who think process engineering is an important aspect of the CEO's role believe that their CEO can pretty much carry on as normal in this area.

CEOs are weakest in ensuring that people have the information they need (we have seen that roles and responsibilities lack clarity) – only 38% believe their CEO needs little or no coaching is needed in this area and 31% think their CEO needs help. Performing slightly better is the CEO's ability to ensure that resources are channelled to the point of need, (43% are pretty confident) and that supply chains are relevant,

well defined and efficient (75% of people associate supply chains with the role of CEO, and of these, 45% are pretty confident that their CEO is doing a good job).

Faced with increasing competition from developing markets and ever more sophisticated demands from customers seeking added value, organisations must be as agile and responsive as olympic athletes. In this area, people seem to believe that their CEO is fit to stay in the race. Yet division of opinion suggests that gold medals will be hard to come by, and that people are once again calling for improvement.

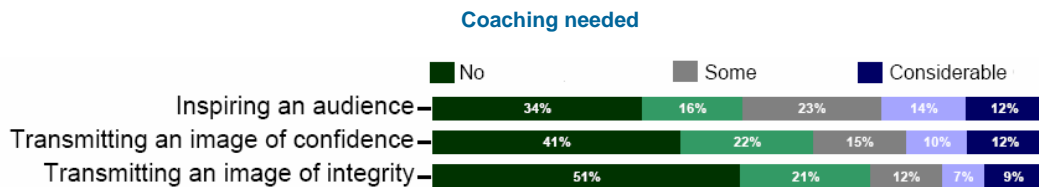
Invitation to CEOs

- ➔ Diligently ensure that the relevant senior managers are aware of weakness in the system regarding the way resources and information are channelled to the point of need.



2 Personal level

Presentation competencies



Whilst transmitting an image of confidence and integrity, CEOs remain somewhat uninspiring.

We now arrive at a stronger point of CEOs – presentation competencies. 62% of people think their CEO needs little or no coaching here. Indeed, CEOs score higher in this area than in any other surveyed. 63% of people applaud the CEOs performance - particularly with regard to the image of confidence he transmits. And even more - 72%, say that their CEO's image of integrity requires little or no attention.

When it comes to actually inspiring an audience, however, we detect some snoring in the back rows of conference rooms - only 50% of that audience are impressed. Is it important to people that their CEO inspires them? 89% of people say that it is.

Presentation is an area where CEOs have a vital opportunity to motivate, energise, and inform. Specifically, CEOs can emphasise the vision and

mission towards which their audiences should, (in theory) be collectively working. The CEO can contextualise change, rousing the commitment of his people. And he can directly ask for their feedback to his messages – and respond to that feedback.

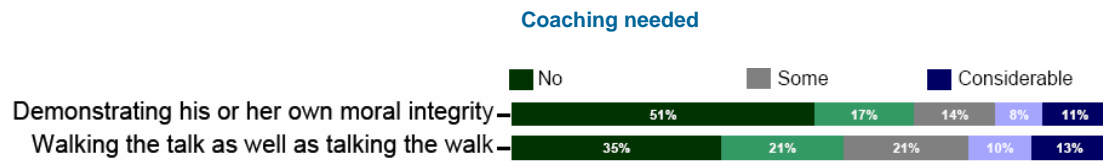
Whilst transmitting an image of confidence and integrity, then, CEOs remain somewhat uninspiring. If a critic were to tell an actor after his appearance in a new play that 38% were rather unimpressed by his performance, and that 21% actually believed he should go back to drama school, we could imagine the dilemma in the dressing room. "Is this a bad play, or are my acting skills falling short of the mark?" In the case of the CEO, he is responsible for both play and performance. Fortunately, he is in a position to something about it.

Invitation to CEOs

- ➔ View every contact with your people as an opportunity to inspire them to connect with the vision and mission of your organisation – and to get their feedback.



Personal ethics



Beyond sporadic demonstrations of their integrity – CEOs should vigorously and consistently practice what they preach.

CEOs are doing a good job in demonstrating their moral integrity, according to those surveyed. 68% of people believe their CEO needs little or no coaching in this area. We have seen that CEOs could be having some trouble anchoring ethics at a corporate level, however. Perhaps CEOs should do even more than offer sporadic demonstrations of their integrity - vigorously and consistently practicing what they preach. We will see later that many are questioning the exemplarity of their CEOs..

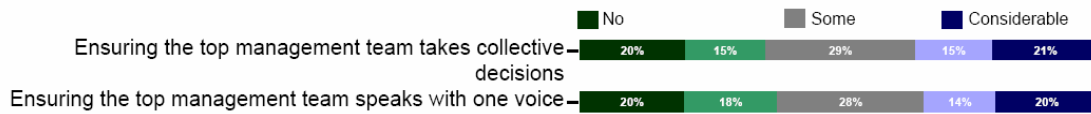
Invitation to CEOs

- Check that you consistently practice what you preach in your dealings with your employees. Many do not see you as an example.



Team leadership

Coaching needed



Time for a refresher course in team leadership?

Surely the ultimate leader of a company should be exemplary at leading his team? A shining example to the rest of the organisation? Beyond any need, at this stage in his career, for coaching?

Perhaps it's time for a refresher course. We focus on the two most visible aspects of top team leadership: the ability of the leader to ensure that his team takes collective decisions and that it speaks with one voice.

Overall in these areas, only 37% of people believe that their CEO can get by with little or no coaching. 34% actively believe he is a prime candidate for coaching.

We have also seen, earlier in this report, that people believe CEOs could do better in ensuring

the right stakeholders are involved in decisionmaking. We suggest CEOs draw upon their top management teams to improve matters. For example, this report highlights serious room for improvement in the areas of strategymaking, corporate ethics and human capital development.

This means inviting the expertise of the people on the bus and applying it – assuming, of course, that they are the right people (to quote Jim Collins). We have indicated shortfalls in career development in companies and so we wonder where the next wave of top management passengers is coming from.

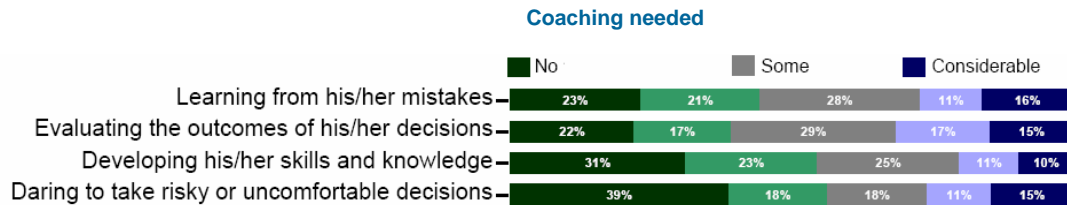
Given all of this, do people believe the CEO has the potential to evolve?

Invitation to CEOs

- ➔ Ensuring that the right stakeholders are involved in your decisionmaking crucially involves your top management team. Check to what extent you really value and draw on their expertise.



Ability to evolve



Evolution implies breaking out of one's comfort zone. And people consider that their CEO can do this. In facing more painful truths, CEOs still have some way to go.

This very special species has good chances of evolving, according to its observers. 49% of employees believe that the evolutionary capacity of their CEO is in reasonable health. This we define as learning from mistakes, evaluating the outcomes of decisions and developing one's skills and knowledge.

And as any lungfish knows, evolution implies breaking out of one's comfort zone. Fortunately, people consider that their CEO can do this - 57% are confident he needs little or no coaching when it comes to taking risky or uncomfortable decisions. A note of warning, however, we shall see later that people have some doubts as to whether their company is safe in their CEOs hands. Risk is a necessary facet of business – and still, this must be carefully managed.

54% of people believe that their CEO can develop his or her skills or knowledge with little or no

coaching in developing his or her skills or knowledge. 'Coaching in developing skills and knowledge' may sound rather tortuous. And yet it is one of the most important benefits of coaching – in developing our openness to continual learning – our 'neuroplasticity' – coaching is a powerful tool.

What about the more painful truths? Here, CEOs still have some way to go.

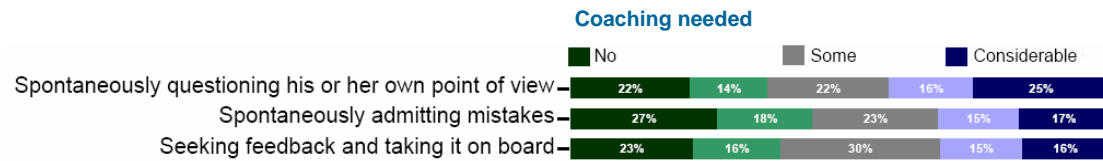
For example, do CEOs learn from their mistakes? Only 44% of people believe their CEO can do with little or no coaching in this area and 27%, that he actively needs coaching. Do CEOs even know what those mistakes are? Do they honestly evaluate the outcomes of their decisions? Here, even more employees suggest that the CEO gets support. Only 39% believe their CEO can carry on without coaching in this area and 32% are actively calling for him to get support

Invitation to CEOs

- ➔ Check how you evaluate the outcomes of your decisions, and visibly build on the lessons learnt.



Openness to feedback



To what extent do CEOs believe employees view self-questioning in leaders as a sign of weakness? Time to question a core paradigm.

Dear CEOs, your employees have taken a moment to complete a questionnaire regarding your possible avenues of development. Yet overall only 40% really believe that you will be open to feedback.

Still, they have taken the time, perhaps because the questionnaire was anonymous, perhaps because they don't believe you will challenge yourselves without their thoughtful help. 41% believe you need significant coaching in spontaneously questioning your own point of view. Admitting mistakes is something that 85% of people believe is important to the role of CEO. Of those who believe it is indeed important for you to

admit mistakes, 32% think that you need help in doing this spontaneously.

Finally, employees seem unsure that you will proactively seek their feedback (31% believe you need help learning how to do this better).

We therefore invite CEOs to challenge their paradigm. To what extent do they believe that employees view their self-questioning as a sign of weakness?

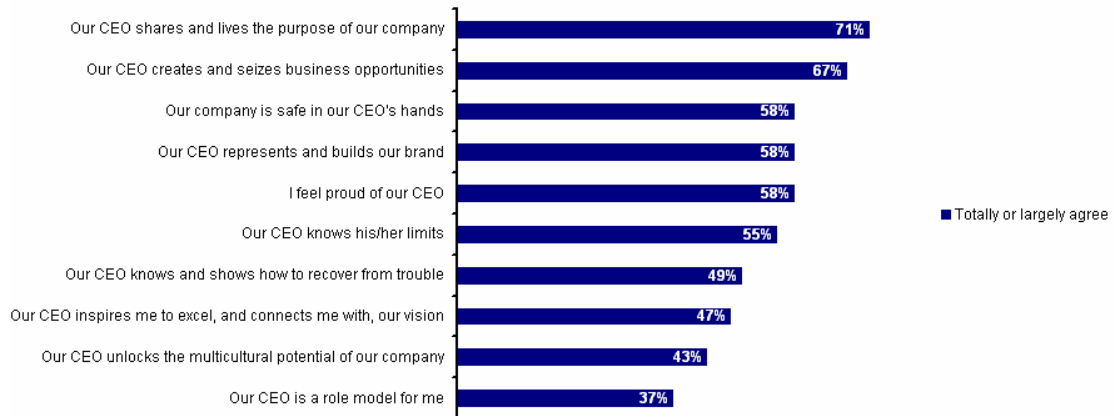
If this conviction exists, then this research may reassure CEO's that it is misplaced – and also call for a change of mindset.

Invitation to CEOs

- ➔ Check how open you really are to feedback, and the impressions you give to others. Make the necessary improvements, knowing that employees will appreciate this, rather than viewing it as a sign of weakness.



Overall impressions of the CEO



At the highest level, CEOs are seen to share and live the company's purpose. Far fewer people view him or her as a brand builder. And only a minority view their CEO as a role model.

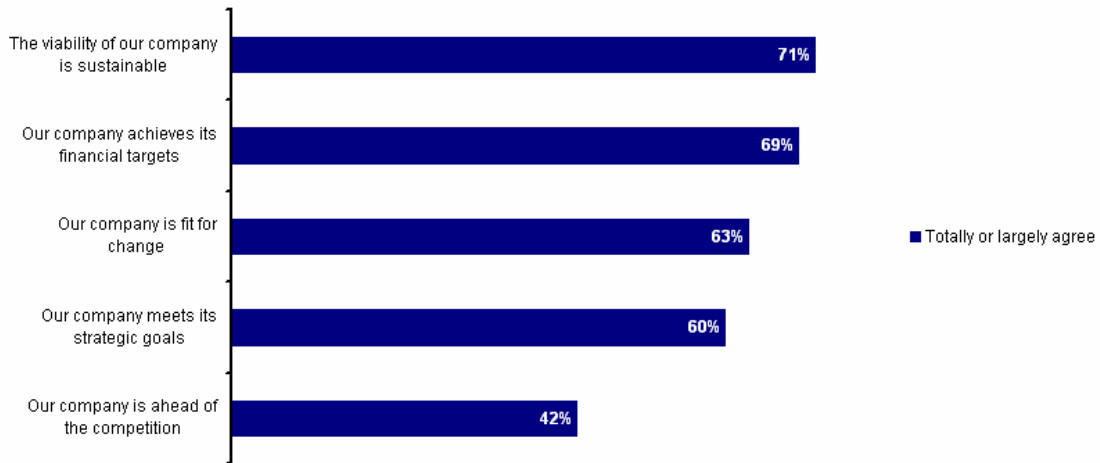
When all is said and done, what are people's overall views of their CEO? As a beacon for the organisation, 71% largely agree their CEO shares and lives the company's purpose. Yet far fewer view their CEO as a true brand builder or representative, and fewer still actually feel proud of him (58%). Earlier we have seen doubt surrounding the CEOs' ability to anchor a vision

for the company. And indeed, only around 47% feel their CEO inspires them to connect with this vision. We have also seen signals that CEOs are not exemplary team leaders. And they are seen as role models for only around 37% of employees.

How are CEOs performing as hardheaded custodian of the companies they serve? 67% agree their CEO indeed creates and seizes business opportunities. Rather fewer - 58% - believe the company is actually safe in the hands of their CEO. And around the same numbers (55%) agree their CEO knows his limits. Most alarming is the finding that, should trouble arise, only 38% of people believe the CEO knows and shows how to recover from it.

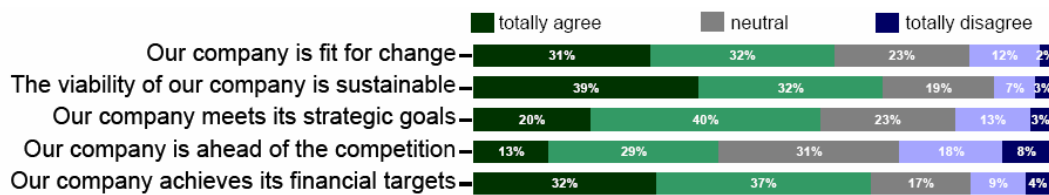


Company health check



Despite the rather patchy impressions they have of the CEO, 71% of people believe the viability of their company is sustainable. And around the same numbers agree their company achieves its financial targets.

We can tentatively conclude that people base their primary impressions of overall viability on the bottom line – financial targets. Because in other areas which could contribute, people are rather less confident in their companies' performance. Organisations are vulnerable to competitors - only 42% of people believe that the company is currently ahead of the opposition. How about strategy? 60% say their company meets its strategic goals. And is the company about to undergo an alteration to move it ahead of competitors? Well – 63% believe that the company is fit for change...



In summary

- Few argue with the need for a CEO to create and seize business opportunities. And still, it is essential to ensure that your decisions are based on input from the right stakeholders - including your top management team. It is essential, too, to go the extra mile in ensuring that any resulting change is clearly contextualised and linked to business imperatives.
- CEOs, we urge you to consider every contact with employees as a chance to practice what you preach, connecting them with the vision, mission, values and principles of the company, with a close eye on ethics and transparency – including your own openness to feedback.
- The devil is in the details - people should always see the relationship between the daily aspects of their working lives, including the goals to which they are working, with the highest abstraction, such as the vision of the company.
- Special attention needs to be paid to talent recruitment and retention – which people view, more than you may realise, as a part of your role.
- If you believe that you beyond the need for coaching, and/or that you will be harshly judged if you show you are open to it, we invite you to think again. Consider learning as a lifelong process; the humility and honest self assessment involved are signs not of weakness, but of courage and realism. Attitudes you are likely asking your managers to adopt.
- Such action should – and must - go a long way towards improving people's confidence in your leadership.



Appendix

Methodology

Respondents were presented online with a set of statements relating to areas of CEO performance at corporate level and at personal level. For each, they were asked whether they thought it important, and if 'yes', to what extent their CEO needed coaching in this area in their view.

They were also asked to what extent their company was in a strong position, and about their attitudes in general to their CEO. Finally, they were asked what development programmes their CEO needed, in terms of cognitive and/or behavioural development.

The analysis excluded respondents who responded neutrally to questions.

The survey was independently analysed by Inights in the Netherlands, and the questionnaire and commentary created by Krauthammer.

Respondents

497 people responded to the survey. 46% came from Northern European, 31%, from Southern European cultures and 17% from Belgium and Switzerland. 59% had a management function and 12% had a Director or Board-level function. 37% reported directly to the CEO, and 1% of respondents actually held the post. All except 4% of respondents came from the private sector and worked across a range of industries, of which, notably, 15% worked in the manufacturing sector, 16% in the financial sector. 28% worked for organisations with more than 1000 employees and 78%, for organisations which had offices in more than one country.

Regional breakdown:

North	46%	Netherlands, UK, Sweden and Germany
South	31%	France, Spain and Italy
Other	17%	Belgium, Switzerland,
Unspecified	6%	Other



About Krauthammer

Krauthammer – an international consultancy-based training and coaching company - supports the competitive advantage of its clients through the installation of exemplary behaviour and impact – where behaviour is defined by 'observable activity'. Our vision is to bring out the best in our people, and in the leaders, managers, salespeople and negotiators of our clients - going beyond, to all stakeholders.

Established in 1971, Krauthammer has 159 full time consultants, delivering training programmes in over 51 countries and in 15 languages to a portfolio where the scope of its established clients ranges from small ambitious companies to a number of Europe's most prominent multinationals.

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