

Volume	4	Managing a Company
Chapter	05	You: The CEO
Section	01	Overview Chapter 4.05: You: The CEO
Key Word Tags		CEO's Role

OVERVIEW CHAPTER 4.05: YOU, THE CEO

File No. 4.050101 | 2017-06-01

Quick Summary: Only a select number of people in business get the opportunity to run an organization.

Abstract:

There are over 18 million businesses in the United States, but only about 4,500 are publicly traded companies. Although large publicly traded companies get all the headlines and attention, over 97% of all businesses have less than 50 employees. Regardless of the size, each organization has a leader, large or small, public or private. Some have the title of CEO, while many others do not. In any case, each leader has unique responsibilities that are not shared with anyone else in the organization. It is both a burdensome and awesome responsibility.

Selecting subjects for this chapter versus the chapters on Management and Human Capital Management was difficult. Without a doubt, the role of the CEO includes all of the concepts in the Management chapter, and the CEO must be the leader in the proper management of all of the Human Capital resources in the company. The primary criteria used to parse the subjects for the articles in this chapter were the personal issues that fall directly on the CEO. Most articles involve the CEO's responsibility to set the tone and lead by example. Some of the articles in this chapter discuss various aspects of a company's culture. A premise of these articles is that company culture evolves starting with the actions of the CEO, which are quickly mimicked and embraced by others.

Although each article in this chapter can stand on its own and be read in any order, it is probably more effective for a CEO to read all of the articles to better understand the awesome responsibility they have in shaping the company. The financial success of the company is clearly important and necessary, but it is not sufficient to guarantee long-term viability. The stage set by the CEO and their relentless pursuit of some fundamental concepts, many of which are discussed in this chapter, will be the difference between building an organization that will survive and thrive long after the CEO has departed and one that won't. Think of Henry Ford, Thomas Edison, Andy Grove, Jack Welch, Steve Jobs and Elon Musk as some of the CEOs who built mighty organizations based on their personalities and the cultures that resulted from their presence.

Chapter Sections and Summaries

Your Role

The fact that you are the “Number One” person in your organization means that you have some subtle but very important duties and responsibilities that are not obvious. They are not obvious until they are neglected.

Set the Standard

You are always “on stage,” and everyone always looks to you for guidance in every circumstance. You are constantly sending messages, whether you intend to or not. Your employees will base their behavior standards and actions on what they perceive you want by what they see and what you say.

Culture

A company’s culture forms naturally based on the accepted norms and actions that occur daily. As the company’s leader, you set the standard, and the culture evolves based on what you do and say (while you are on stage).

Chapter Articles and Summaries

Introduction to Chapter 4.05: You: The CEO

Only a select number of people in business get the opportunity to run an organization.

The Buck Starts Here

Focus on vision, strategy, and tone to move the organization in the desired direction.

You Wear Two Hats

Leading and managing are two different activities that the CEO must perform simultaneously.

Always on Stage

An audience is always present, filled with supporters and critics who interpret your every action.

What Others Think

Performance consistency, compliance, and longevity are critical elements for meeting all goals.

Your Balancing Challenge

A CEO must balance the needs of employees, partners, customers, and financial investors.

Your Top Priority

Spending the right amount of time on the right things must be every CEO’s top priority.

Be Visible and Approachable

Take time for people instead of filling your time with activities that are not truly important.

They Are Not You

As the CEO, you have a unique perspective on the business; do not expect others to share it.

Throw Away Your Notes

Find individuals you can ask to do something, knowing it will get done.

Look in the Mirror

Companies at different stages require different leadership and management skills.

Set the Tone

Lead by example, showing the attributes you believe in that need to be embraced by all.

Be the Sage

Focus on asking questions to allow others to discover answers on their own.

Parachuting In

Joining an existing company as the new CEO always involves responding to incredible demands.

Culture Just Happens

Culture develops on its own over time but takes its direction from early nurturing by the CEO.

Politics is not a Dirty Word

We are constantly deluged with different ideas that we have to decide to embrace or not.

Fair versus Equal

Treating everything the same or equal can result in unfair and resentful feelings and behaviors.

Consensus versus Confrontation

A recognized, repeatable process for decision-making is critical to a company's success.

With or Without You

Does your company run on cruise control, or must you be constantly behind the wheel?