SEVEN SURPRISES FOR NEW SENIOR EXECUTIVES

In October 2004 Porter, Lorsch and Nohria published an article in the Harvard Business Review entitled "Seven Surprises for New CEOs". This note has adapted the key points which have relevance for any senior executive who is new to a role. The 'seven surprises' highlight realities about the nature of leadership that are important for executives at any level.

Surprise 1: "You can't run the company, Function, Unit"

The sheer volume and intensity of internal and external demands on your time can be overwhelming, and most executives struggle to manage the time drain. The executives are no longer close to the business, they have to 'let go' of certain previous responsibilities and they may feel less sure that they know what's going on. Many executives experience this change as a loss of control. The senior executive's greatest influence shifts from direct to indirect means which involves articulating a clear, easily understood strategy and institutionalising rigorous structures and processes to guide, inform and reward.

Surprise 2: "Giving orders is costly"

Giving orders based on your new authority can trigger resentment and defensiveness in colleagues, and it can erode the authority and confidence of direct reports. When senior executives wield direct power, they must do so very selectively and deliberately. Usually power is best used indirectly through disciplined processes. A senior executive should look for ways to include senior managers, and to promote agreement about decision-making criteria, share power and trust others to make important decisions.

Surprise 3: "It is hard to know what is really going on"

Senior Executives may be flooded with information but reliable information is surprisingly scarce. All information coming to the top is filtered. Informal channels can be reduced as former colleagues go on their guard, and colleagues can be wary of delivering bad news.

A senior executive should look to maintain informal communication channels deep into the organisation. Informal meetings and visits can help to access unfiltered information and hear the ideas and opinions of a cross-section of staff. If this type of contact or 'temperature checks' is continued regularly, then it is not seen as a big event. External channels or colleagues outside your immediate functional area is another useful source of information as is a trusted independent advisor who has license to criticise the executive's thinking.

Surprise 4: "You are always sending a message"

The typical new executive knows that his actions will be noticed by all staff. What he does not generally realise is the extent to which his/her actions will be scrutinised and interpreted. Words and deeds can be instantly spread and amplified and sometimes drastically misinterpreted. People also develop assumptions and expectations based on previous background and experience.

Once in the job, it can be dangerous to have half-baked, speculative discussions as they run the risk of being latched onto as a good one.

The important lesson for new executives is to consider carefully how their actions and the way these are communicated will be interpreted by different audiences. Also, they must strive for consistency in the message as well as simplicity, clarity and memorability.

Surprise 5: " Your are not the boss"

Although you may sit at the top of a particular hierarchy, there is always someone else to whom you are ultimately responsible whether it be a senior manager, Board of Directors or shareholders. At senior levels, managing upwards increases in complexity because there are a greater number of interested and relevant stakeholders.

A new executive, therefore, must develop these relationships and actively invest in the knowledge and expertise of other colleagues by regular updates via one to one contacts, emails, progress updates and sharing interesting material. In this way, the meetings turn into participatory discussions rather than show-and-tell sessions by senior management. A new executive who consults and shares with senior managers is much more likely to win their confidence and support.

Surprise 6: "Pleasing stakeholders is not the goal"

The problem is that defining one's goal as winning stakeholder approval may not be in the company's best interest. Stakeholders can be too short-term in their thinking which may not benefit the ultimate competitive position of the company. The new executive would do well to recognise that it is only long term success that matters, and they must develop a clear strategy to differentiate the company. The executive must then sell the strategy to the business to show how fundamental issues will be addressed, and competitive advantage maintained.

Surprise 7: You are still only human"

Many new executives need to make a conscious effort to resist the illusion of self-importance, omnipotence and omniscience. They need to accept gaps in their expertise and abilities, and recognise the extent to which the job is physically and emotionally taxing. Many executives underestimate the number of demands placed upon them and it is then easy to lose balance between their personal and professional lives.

It is essential, therefore, for senor executives to make a disciplined effort to stay humble, to continue to listen and learn and to find people who are honest and forthright. Also they need to maintain a sense of perspective by making connections to the world outside their organisation and find some personally fulfilling outlets for their human needs.

Implications for Leadership

There are 3 important messages that emerge from the 'Seven Surprises'.

Firstly, the new executive must learn to manage the context and the process rather than focus on daily operations. This involves managing in indirect ways by developing and communicating strategy, putting processes in place, and selecting and motivating key people.

Secondly, a new executive's position does not confer the right to lead or the right to the organisation's loyalty. The executive must continue to earn and maintain the moral mandate to lead.

Thirdly, the new executive must not get totally absorbed in the role. Maintaining a personal balance and staying grounded can help to achieve the perspective to make good decisions.

Then in the late 1980's, business psychologists were increasingly asked to provide a more direct one-to-one development programme for managers who were seen to be underperforming, and the context of this work was essentially remedial in nature. In the 1990's however, executive coaching began to lose its association as a "remedial activity", and by this time clients were generally senior managers, directors and managing directors. Coaching had become a strategic personal development intervention to help senior employees maximise their potential and contribute more effectively to the business.

The Future

Although professional coaching is only about 20 years old, it seems inevitable that it will be increasingly used by businesses in the future to ensure distinctive competitive advantage. It has become clear that professional coaching helps support leaders in addressing the challenges they face, and more importantly, helps them develop the leadership competence necessary to achieve improved business results.