

S P H E R E

Power • Decisions • Performance

The CEO Office

Supporting the CEO and the Organization Perform in a Class 5 Hurricane

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Performing in a Class 5 Hurricane – CEO Decision Making

One of the major challenges CEOs face is making their organizations fit to meet rapidly changing market and economic environments. Changes in the business environment are impossible to predict reliably – so what should you be getting the organization ready for? Once you've figured that out, it can take too long to effectively 'change manage' the firm accordingly.

So what you want is an organization that is really sensitive and smart at *all levels* – sensitive in quickly picking up even weak, early signals from the market and then understanding what they mean; smart in drawing the right conclusions and making the right decisions at the right time. And finally it needs to be able to act quickly and smoothly on these decisions.

A sensitive and smart organization can and will align all decisions with the strategic intent regardless of what the environment throws at it.

Building this kind of decision-making intelligence into the firm is a significant undertaking; it can mean, for instance, evaluating and possibly re-jigging various management systems. But CEOs can generate significant impact quite quickly by looking closely at their own immediate decision making environment.

Decision-making at the top – often a Class 5 Hurricane

The CEO has the responsibility, right *and duty* to make decisions at the top of the firm. This doesn't mean that he makes those decisions alone, but he certainly is responsible for them. Let's look for a moment at the nature of decision making at this level.

As a manager rises through the organization, his decision making scope becomes larger, the boundaries of his responsibilities become blurred and the links between his decision and that of others become more dense.

At the top, the CEO needs to weave a pattern of complex decisions into a coherent and resilient fabric. He needs to constantly connect the dots, as it were, between competing strategic challenges and conflicting stakeholder demands.

Moreover, because routine issues are customarily dealt with in the organization, everything that lands on his desk is urgent, critical, sensitive or all of the above. Finally, the information he gets is often incomplete if not wrong and the consequences of his decisions are often unclear, long term and at times unintended.

Creating a CEO environment that supports good decision-making

The CEO environment typically consists of his staff, the processes they use to work with the organization and the routines they develop in working with the CEO. This environment is successful if it supports the CEO's decision making. Here is what the CEO needs:

Anticipating, filtering and accelerating issues: The immediate CEO environment has to be a highly sensitive and effective 'listening and learning' function for the CEO. For the organization it needs to be helpful in providing access to the CEO on critical issues that he might otherwise have missed. Senior managers should benefit by getting access to the CEO's thinking if he is not available personally. As a result, the CEO knows where to focus his decision-making and gives the organization confidence that he is doing so.

Purchase for his decisions. This includes setting up a set of processes and routines that ensure that the CEO's decisions are followed up. There is a facilitating, not a controlling or enforcing function. They should be able to flag issues in a way that doesn't unduly upset people and at times resolve them in a helpful and discreet manner.

A trustworthy second opinion. Staffing a CEO's office with 'yes people' is lethal because it can easily lead to groupthink. Rather, people in the CEO's office need to be intelligent, outspoken and able to respectfully disagree with and challenge the CEO.

Time This is in many ways the most precious and irretrievable resource. It needs to be allocated in line with the firm's strategic intent, key stakeholder requirements (which are often conflicting) and the CEO's personal needs. This means that this goes far beyond mere scheduling. A great deal of knowledge and instinct are needed as well as, of course, the skill to gracefully manage people's expectations.

Successful CEO staff adds value to both the CEO *and* the organization

Many of us have watched the TV series "West Wing." An interesting aspect of the program is that it shows how the President's staff works not only 'upward' to the President but also 'downward.' The staff makes sure that those people who understand issues vital to the President's ability to make sound decisions can get access to him.

In other words, an effective CEO office serves the CEO *and* the organization by ensuring that the top of the firm focuses on the right decisions, makes them correctly and gets them implemented. They are most certainly not a praetorian guard that shields the CEO and acts as a layer between him and his management.

Selecting CEO staff – the corporate diplomats

The analogy that comes to mind is one of a corporate diplomatic corps. They must be trusted as honest brokers by management and employees. They need to be independent thinkers, whose fierce loyalty to the CEO leads them not to want to 'please' so much as to do everything to make the CEO more effective. They also must be keenly aware that they are not the line, and that their job is not to control or interfere with the line. Rather they are diplomats, explaining, negotiating where needed and sensing the mood and developments among relevant parties.

Training CEO staff

Like all other key functions in a firm, CEO staff needs to be trained.

They need to understand the CEO's roles and responsibilities, including the governance systems of the firm. They must have a rich understanding of the firm's strategy and the CEO's ways of thinking.

To succeed, they need to learn the requisite negotiating and facilitation skills. They must have a clear, joint understanding of their roles vis a vis the CEO and the organization, as well as build and refresh routines and processes among themselves and among all stakeholders needed to support the CEO.

Such training should certainly take place at the initiation of such a group and be revisited or repeated annually. It is important that people who perform such training know the CEO operating environment very well. Working with the CEO means working in a world that has its own, very specific rules and protocols. Middle or even Senior Management instincts will not be enough here.

Of course a CEO does not make decisions in isolation. If he is wise, he includes his Senior Management in making the major decisions for the firm but uses his CEO staff to focus that decision-making.

At the end of the day, the buck does stop at the CEO's desk. That makes decision-making at the CEO level a very sophisticated business. A well-run CEO office can greatly improve the reliability and performance of the CEO's decision-making.

The CEO Office

How to build the effective interface between the CEO and the organizations? The following generic process describes the starting point to establish the CEO Office and to get it to work.



Supporting the CEO and the Chief of Staff to establish an effective CEO Office: The Services

Issues to address	SPHERE Advisors Services
CEO: Maximizing the benefits of the CEO Office and the Chief of Staff	Coaching the CEO on leveraging the CEO Office capabilities to set time free, to reach clarity and pace energy.
Chief of Staff: Challenges and issues to	Challenge Mapping™: Supporting the Chief of
Role of the Chief of Staff: Choosing among a variety of options on the	Job profile: Defining the profile that fits the leadership style of the CEO and meets the
Structure of the CEO Office: Choosing a structure that enhances CEO focus, use of time and energy while, at the same time, serves the organization	Structure: Provide options and select the ideal structure to support the CEO's and the organization's needs. Clarify decision making in the organization as a whole and systems and processes of the CEO Office
Effectiveness of the Chief of Staff: Making use of shared resources to get the work done. Influencing others to contribute. Supporting the CEOs individual decision making	ROD Diagnostic: Measuring and addressing personal time, focus and energy. Coaching the leader to achieve high effectiveness and leverage personal strengths Coaching the coach: Support the Chief of Staff to address the CEOs decision making and personal effectiveness requirements
Leadership cycle: Manage the	Define and map the leadership cycle to fit
Leadership agenda: Lead the set of management meetings to address operations and strategic challenges	Establish the corporate agenda: Determine the ideal meeting structures based on market requirements and internal needs

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<p>Manage leadership meetings: Prepare, facilitate the management team meeting and ensure follow-through.</p>	<p>Structure meetings and sequence of topics to ensure that issues are addresses with the appropriate depth, timing and implementation.</p>
<p>Manage the management systems: Coordinate the managerial processes and practices to meet the leadership cycle and agenda.</p>	<p>Define the management system: Diagnose the decision making systems in the organization. Establish the ideal architecture of controls, processes, practices and policies to guide corporate decision making</p>
<p>Management principles and concepts: Regularly review the way the management team addresses its challenges. Safeguard the management principles</p>	<p>Management innovation: A set of structured workshops to address how the management team ensures the benefits of creativity and innovation in the organization</p>
<p>CEO-Operations: Ensure its support effectiveness for the CEO to include: Roles of the assistants, roles of the support functions, daily routine, information triage and exchange, CEO advisory team, security, meeting management, CEO travel preparation and infrastructure on the go</p>	<p>Team effectiveness: Define and establish the key roles, priorities, processes and practices of the CEO Office. Review team effectiveness</p>
<p>Staff management: Manage the staff work flow to cater towards the needs of the CEO and the organization</p>	<p>Structure and efficiency of staff procedures: Sequence and purpose of staff meeting, preparation of management meeting, coordinating issues and tasks, sharing and disseminating information, thinking ahead,</p>
<p>Reputation: Ensure a seamless and coherent message from the CEO to various internal and external stakeholders. Safeguard the CEO reputation</p>	<p>Leadership brand: Review key messages, interventions, and reputation. Work with communications professionals to enhance the leadership brand</p>
<p>Office of strategy management: Ensures the functioning of the role in the organization</p>	<p>Strategy office: Structure and design the strategy support role</p>
<p>Issues and crisis management: Ensure the infrastructure to deal with immediate pressures on issues and crisis situations, manage issues and crisis situations</p>	<p>War room setup and management: Structure and design the infrastructure for issues and crisis management in the organization</p>
<p>Board operations: Ensure the information flow and decision making between the CEO and the Board</p>	<p>Board information and process: Structure and design the infrastructure and processes for board operations</p>

The Advisors for World-Class Decision Making

No one can predict the future. But an organization that consistently makes the right decisions at all levels will always outperform the competition regardless of the operating environment.

SPHERE Advisors works with CEOs, Senior Executives and Boards on superior personal and team decision-making as well as in building high quality decision-making capabilities in the firm.

SPHERE Advisors are trusted and valued by their clients, because we have been Senior Executives in major corporations ourselves. This means that we are able to provide advice and support that is actionable and realistic.

Our clients range from FTSE 20 companies to start-ups, NGOs and Academia. We are able to adapt our services smoothly to a wide range of clients, the life cycle of their organizations and if necessary, to crisis management.

SPHERE Advisors services include:

Advising leaders at the top of organizations

With a focus on the dynamics, the complexity, and uncertainties of business situations on:

- Power and Accountability
- Decision-making
- Performance

Developing decision-making capabilities in Senior Executive Teams and Boards

With a focus on:

- Improving decision-making in the team
- Finding effective delegation practices
- Ensuring smooth and effective strategy implementation

Building decision-making capabilities at scale

Advice in the design and use of:

- Decision-making capabilities and practices
- Strategic management systems

Designing, developing and building CEO Staff

Advice in creating the CEO Office:

- Selecting, hiring, developing the staff
- Helping the staff to develop the structure, processes and protocols

Advice for world-class decisions

We work with selected partners as the general contractor for CEOs on power, decisions and performance.