



# First-time CEO Survival Guide

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**VISTAGE**

# focus:



Your path to become a CEO was your own. You founded a company, were promoted, or were next in line for succession in a family business. Whichever path you took, it prepared you for this role.

But now that you're at the top, there's a lot competing for your attention. What can you safely delegate? Who can you trust to advise you on the big (often sensitive) decisions?

The First-Time CEO Survival Guide is a starting point to answering these questions. It focuses on the issues that will actually help your organization succeed — and greatly accelerate your leadership development.

## Steps to survival

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# focus: *You Own the Big Picture*

You may be the best at tackling the day-to-day tactical challenges facing your company, but as CEO your focus needs to be on big-picture strategy. It's up to you to establish a compelling vision to rally employees, adapt to marketplace shifts and choose the best points of leverage to drive results. Only you have the combination of scope and authority for decisions of this magnitude.

Don't be romanced by simplistic templates when it comes to decision-making.

**Here are three guidelines to keep you out of the weeds and encourage a rigorous process in developing your business strategy:**

- 1 Develop a true vision.** This snapshot of the future should include enterprise-level aspirations and concrete definitions of success (customers, markets, volume, etc.).
- 2 Define competitive advantage.** What value can you deliver to customers that your competition can't? Your strategy should consider how your organization can differentiate itself through services offered, pricing, delivery speed and so on, as well as how you can overcome disadvantages.
- 3 Define your targets.** Get the most out of limited resources by targeting the right markets. Good targeting helps you integrate sales and marketing so that you increase sales productivity.

These tips are adapted from "[10 steps to building a killer business strategy you can execute flawlessly](#)" by Vistage Speaker Marc Emmer, President of Optimize Inc., a growth consultancy specializing in strategic planning.

## Establish a compelling vision to rally employees



# focus: *Make Coaching a Top Priority*

You can't delegate tactical responsibilities without developing the right talent. As CEO, you need to become a master at transferring your problem-solving ability to others. Coaching should become a top priority because it's the key to delegating the responsibilities for which you no longer have time.

Effective one-to-ones should be a go-to coaching tool. They create space to share strategic and developmental issues with your top reports. They also give them the accountability and calibration needed to assume greater leadership responsibilities.

They also help you:

- Achieve better alignment with your vision, mission and goals.
- Gain a clearer picture of how your direct reports solve problems.
- Model the behavior you want your direct reports to use.
- Provide much-needed recognition.

Effective one-to-ones should become a top priority.

#### **Prioritize one-to-ones.**

Schedule at least one hour per month of quality, protected time with each direct report. Set up the meetings six months to a year in advance. Do not allow any calls or distractions.

#### **Work their agenda, not yours.**

Have the direct report prepare a written agenda. It should focus at least 25% on strategy and long-term developmental issues (both for the company and for themselves) and contain at least one opportunity to explore in-depth.

#### **Create an action plan.**

You and your report should end meetings with agreed-upon action steps, deadlines and expected outcomes. Do a progress check at the next one-to-one.



Adapted from Vistage Speaker Lawrence King's presentation on The 6 Roles of the CEO.



# focus: *Measure What Matters*

Aligning your decisions to key performance indicators (KPIs) will help you optimize your operations — but only if your KPIs actually align with your strategic goals. The right metrics can align and streamline your organization; the wrong ones can send you chasing red herrings.

Here are some considerations to help you set KPIs that align with your strategic goals:

## Lead through leading indicators

Your lagging indicators seem important — measures of output like “items sold” — but can’t inform strategy because you can’t directly affect them. Lead your team to your goals with leading indicators like “improved customer service” and “better sales team training” — metrics you can effect through programs and actions.

## ... but avoid the trap of surrogation.

Leading indicators can become surrogates for your actual goals. By premising service rep bonuses entirely on customer feedback survey scores, your team may simply find ways to manipulate those scores, rather than strive to provide good service. Worse, surrogates can lead to unethical behavior (e.g., sneaky upselling). Even a metric as basic as “quarterly earnings” can lead you astray from core goals, such as increasing company value.

The right  
metrics can align  
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your organization.



# focus: *Craft Your Culture*



Workplace culture is the most powerful tool for recruiting, engaging and retaining top talent. It also doesn't happen by accident.

Vistage Chief Research Officer Joe Galvin calls culture "your organizational gravity." He explains, "It is the magnetic core that drives your business forward. It repels employees who don't align with its tenets, and it attracts like-minded people who want to be part of that culture."

**We reached out to CEOs to understand how an intentional culture has benefited their organizations:**

## Spurred innovation.

Bulbrite President Cathy Choi created an innovation war room to disrupt stale thinking. Her teams use the room to post and respond to market trends.

## Culture doesn't happen by accident.



## Broke down silos.

Roll Kraft President Sanjay Singh displays metrics on 80-inch monitors across their locations to help employees understand, in data-driven terms, the role each team plays in his company's success.

## Overcame staffing challenges.

Ed Miniat, LLC Division President Chuck Nolan hired differently abled employees at his meat processing plant. He then trained supervisors to help these new hires succeed — and inspired them.



## Incentivized useful employee feedback.

Comfort Research Co-Founder Matt Jung created the FAB (Finding a Better Way) Award. Employees win \$2,500 for the best suggestion — but they have to implement it.



# focus: *Embrace the Ambassador Role*

You are the central point of human connection for your business — for your staff, your suppliers, the public, and your customers. To be an ambassador, show up where you're needed — especially meetings with your biggest clients. Part two is being an effective presence once you get there.

A high ROI strategy for boosting charisma and fast-tracking relationship building is the art of business storytelling. When you make a business case through an inspired story — to any audience — you will naturally come across as sincere, passionate and trustworthy.



## 4 ways to build your storytelling repertoire



### **Craft a six-word (or so) "business card" story.**

Describe what you do in bold, human terms. One of the best business card stories was famously told by a NASA janitor to President Kennedy, who described his job to President Kennedy by saying, "I'm helping put a man on the Moon!"



### **Cast yourself in the story of your business.**

Epi Center MedSpa CEO Margaret Mitchell makes herself vulnerable (and relatable) to clients in an ad sharing her personal skincare struggles: "I grew up putting baby oil with iodine on when sunning," starts one of her promotional videos. "Flash forward 35 years, I face severe sun damage effects. I envied women who had clear, beautiful skin."



### **Cast your client as the hero.**

Tell a story that focuses on what your client can achieve with your product, not why the product itself is great. It isn't the fastest car; it's a car built for people with the spirit of a racecar driver.



### **Tell a story that connects the dots.**

Thrive Farmers President Tom Matthesen connects their direct-trade farmers and consumers. "From the start of a customer's morning to the end of a farmer's day, this is how we are measured," begins the "Why Thrive" copy on their website.

# focus: *Know Your Blind Spots*

Stepping into a global role means stretching yourself to perform new, sometimes unanticipated functions. Truth be told: You have blind spots.

You don't know what you don't know ... about your business, your role and yourself. You need a forum where you can receive perspectives from those with relevant experience but outside your organization — namely, a peer group.

## 5 factors to help you choose an effective peer group

1

**Criteria for membership.** Identify groups that cater to peers with applicable experience and similar values. Also consider organizations who foster diverse membership, especially industry diversity, to broaden your perspectives.

2

**Safe environment.** Make sure any organization you join prioritizes confidentiality. You can't dive deep into sensitive business and personal issues if you don't trust the group. The more senior your rank, the safer and more confidential the environment you'll require.

3

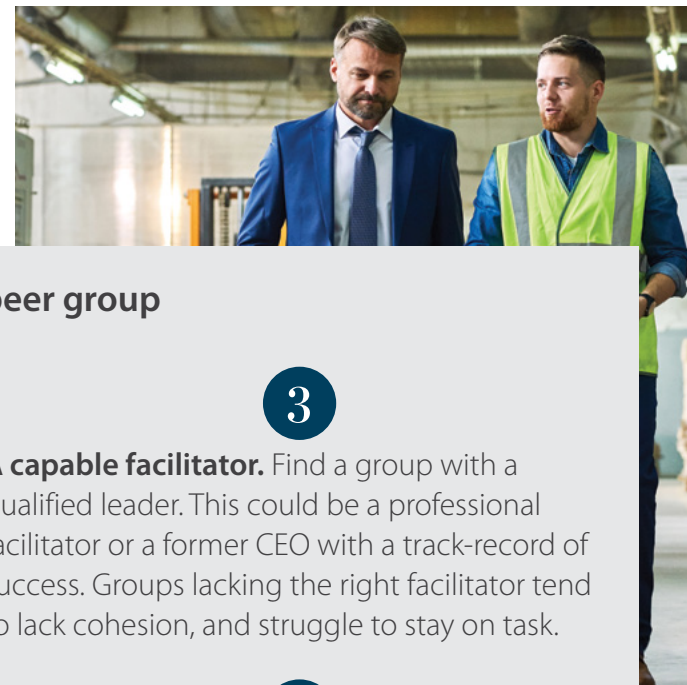
**A capable facilitator.** Find a group with a qualified leader. This could be a professional facilitator or a former CEO with a track-record of success. Groups lacking the right facilitator tend to lack cohesion, and struggle to stay on task.

4

**A sound methodology.** Learn about a peer group's methodology for processing issues and facilitating group interactions. Effective frameworks foster more sophisticated interactions, which in turn increase the value and efficiency of peer feedback.

5

**A robust platform.** Find an organization that can supplement group conversations with speakers, research, and other forms of thought leadership that speak to the group's pressing issues.





# Find Your *focus*

Every focus area in this guide is important, which speaks to perhaps your greatest challenge as CEO: setting priorities. Decide on one focus area and commit to that.

Wherever you focus, to succeed as CEO, you primarily need a learning mindset (well, and some patience, perseverance and support). What you don't need is a certain background or personality.

You have what it takes to become an effective leader for your organization.

To accelerate your development, find a coach and trusted group of peers to act as a sounding board and hold you accountable. Also, keep in mind your CEO responsibilities will change as your business shifts and scales. Continue to learn to stay ahead of these shifts.

We hope this guide has provided you some clear steps forward to help you grow as a leader.



# Contributors

## **Lance Descourouez - Vistage Chair**

Lance Descourouez is a 20-year veteran business consultant in private practice specializing in cross-cultural consulting, organization development and global leadership. He is a published author, adjunct professor and celebrated speaker. He holds an MS in Organization Development and an MA in Cross-Cultural Psychology.

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Lawrence King is award-winning professional speaker and CEO advisor. He has given more than 2,000 CEO seminars on six continents. Formerly, Lawrence led a research team at the National Institute of Health and UCLA School of Medicine. He holds a Ph.D. in clinical-community psychology, an MBA in organizational behavior, and an MFA in ethnographic film.

## **Cindy Mascheroni - Vistage Chair**

Cindy Mascheroni's business background includes pivotal roles with start-ups, family-owned companies and Apple Inc. She currently leads three CEO peer advisory groups, challenging her members to examine assumptions, reveal blind spots and take courageous action in order to grow their businesses, their teams and themselves. She joined Vistage in 2005, and holds an MBA from the Kellogg School, Northwestern University.

## **Robin Stanaland - Vistage Chair**

Robin Stanaland is president of RMS Company, which works with business owners to plan successful exit strategies. Formerly, Robin was president of an IT consulting firm and was a business analyst for McDonnell Douglas working on the space station project. She joined Vistage in 1998 and holds a BBA in marketing from the University of Houston.

## **Dan Wertenberg - Vistage Chair**

An insightful speaker and Chair, Dan Wertenberg leaves his CEO members with lasting lessons in perseverance, honesty and optimism. As CEO of Wertenberg & Associates, he sits on several corporate boards in various industries. He began his career with GM and Ford, and moved on to lead a joint venture with Armco Int'l and Lincoln Electric. Dan holds a BA in economics from Syracuse University and an MBA from Eastern Michigan University.

Vistage is the world's largest and most comprehensive approach to executive coaching for small and midsize businesses. For more than 60 years, we've been helping CEOs, business owners and key executives solve their greatest challenges through confidential peer advisory groups and one-to-one executive coaching sessions with accomplished business leaders. Today, more than 23,000 members in 20 countries rely on Vistage to help make better decisions for their companies, families and communities. The results prove it: Vistage member companies grow 2.2 times faster than average small and midsize U.S. businesses, according to a 2017 study of Dun & Bradstreet data. Learn more at [vistage.com](http://vistage.com).

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