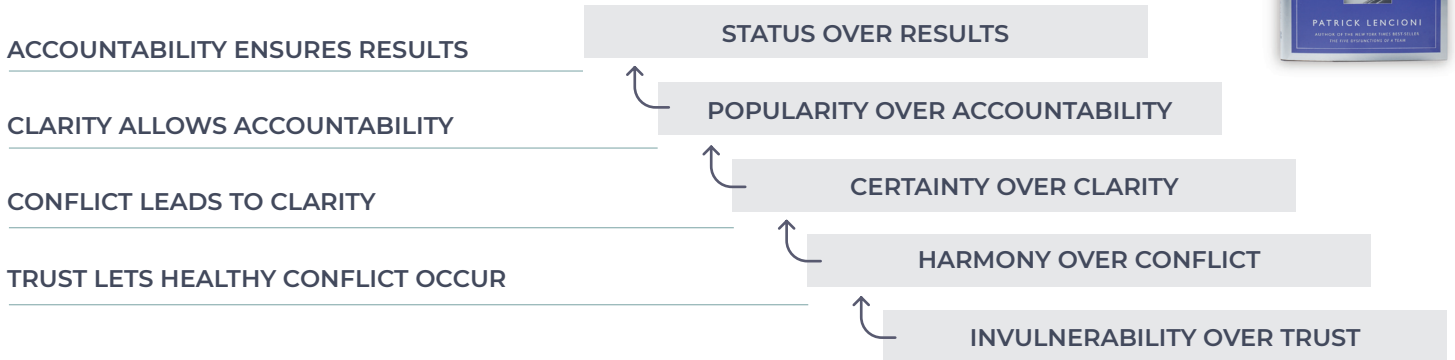
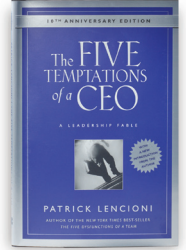




The Five Temptations of a CEO



TEMPTATION

01

STATUS

Strategy for Overcoming:
Focus on results

- Publicly commit to measurable results
- Evaluate your success based on these results alone

TEMPTATION

02

POPULARITY

Strategy for Overcoming:
Hold people accountable

- Confront direct reports immediately about behavior and performance
- Clarify expectations up front to make confronting direct reports easier

TEMPTATION

03

CERTAINTY

Strategy for Overcoming:
Provide clarity

- Set public deadlines for making key decisions
- Practice making decisions without complete information around less risky issues

TEMPTATION

04

HARMONY

Strategy for Overcoming:
Establish productive conflict

- Draw out differing opinions and perspectives from staff members
- Engage in and allow passionate discussions about key issues

TEMPTATION

05

INVULNERABILITY

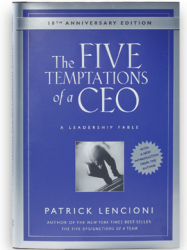
Strategy for Overcoming:
Build trust

- Acknowledge your own weaknesses and mistakes
- Allow direct reports to see your human side



The Simple Difficulty of Being a CEO

By Patrick Lencioni



Introduction

Smart people sometimes overcomplicate life's problems. Perhaps, it's because they like to believe that the challenges they face are complicated ones. Or maybe they feel compelled to put their entire intellect to good use, even when it isn't necessary. Whatever the reason, they're often left feeling frustrated and looking, well, a little stupid.

Such is the dilemma faced by many CEOs, whether they run billion dollar companies or small family businesses. Saddled with a great deal of responsibility, they mistakenly assume that the solutions to their problems are evasive and subtle. So they try every new strategic fad or management theory with little satisfaction awaiting them at the end of the day.

Unfortunately, they often fail to see that the answers are right in front of them, buried within the same common sense that makes them good parents, spouses or little league coaches. In fact, when it comes right down to it, there are only five really important things a CEO has to do in order to optimize his or her success. But more importantly, a CEO has to avoid the five temptations that lead to eventual failure.

Temptation #1

The first of those temptations is the natural but dangerous tendency to enjoy the status that accompanies our roles as leaders. This is particularly common among leaders of large companies, but can also plague small business owners who feel just a little too good about being in charge. The problem

with enjoying status is that it inevitably distracts leaders from the only real area where they should be focused: results.

The executives I've worked with who give in to the lure of power and status, create an environment in which their people make decisions for all the wrong reasons: to curry favor with the CEO; to position themselves for promotion and reward. On the other hand, executives who never lose sight of measurable results keep their people and themselves focused on producing. And whether you lead a non-profit agency, an investment bank or a restaurant, that is what leading is all about.

Temptation #2

The next temptation is one of the most common, and it has to do with the dangerous need to be well liked by the people whom we lead. This is problematic because it makes us hesitate when it is time to hold someone accountable for their behavior or their failure to deliver results. Fearing that they will hurt the feelings of their staff members, too many CEOs avoid giving them the feedback they need to improve. This ultimately hurts the organization's ability to produce results.

This temptation is particularly challenging in small companies where a CEO has a relatively close personal relationship with employees. The prospect of alienating a staff member who is also a friend, can make even the most results-oriented executive balk.



The Simple Difficulty of Being a CEO

(Continued from the previous page.)

Temptation #3

The third temptation troubles analytical executives more than others. It is the need that many CEOs have to ensure that their decisions are correct. Accurate, precise, correct. This creates paralysis in companies when leaders wait until they have enough information to be sure about their decision. Employees lose heart. Executives lose confidence. All because someone was afraid to make a tough call in the face of imperfect information.

When we consider that many CEOs are promoted through the ranks early in their careers because of their analytical skills and attention to detail, it is no surprise that they have difficulty embracing ambiguity later in life. Unfortunately, the inability to be decisive and create clarity out of confusion is a skill that all great CEOs must master.

Temptation #4

The fourth temptation may not seem like a temptation at all to many executives, but it is the killer of good decision-making and creativity. It has to do with the tendency of many CEOs to preserve harmony in their organizations, even when a good fight is just what the doctor ordered.

I'm not talking about personal, vindictive fights. I'm talking about passionate ideological discussions, even arguments, around the issues which every company must face. Employees with strong opinions often care the most about the good of the organization, and they should be encouraged to air their opinions with one another. This is important for two reasons: it ensures that all ideas are mined and it creates buy-in among employees who are allowed to have their say in a matter. Leaders who squash conflict often do so with good intentions — they want to avoid any unnecessary bloodshed. But sometimes they create harmony because they feel that they are losing control. Which brings us to our final temptation.

Temptation #5

The need to maintain an air of invulnerability among the people we lead is natural — but deceptively dangerous. The old adage, “don't let them see you sweat” may be appropriate for actors or salespeople, but for leaders it is a problem. This hampers our ability to build trust among our people. Employees want to see their leaders as human beings, so that they can be comfortable being human. In organizations where a CEO is never wrong and never weak, employees emulate that behavior. The result is a never-ending posturing exercise, where real dialogue and decision-making die.

Leaders who are open to being wrong, to being weak, to being honest about their shortcomings build rapport with their people. They eliminate much of the politics and butt-covering that exists in many companies where blood in the water means death.

Putting It All Together

Why is trust so important? Because it makes employees feel comfortable when it comes to engaging in productive conflict. Conflict makes decision-making easier because a leader knows that he or she has heard the real opinions of employees. Clear decisions with buy-in make it easier for a CEO to hold employees accountable for doing what they said they would do. And accountability makes results a matter of predictability and planning, not speculation and hope.

Is this easy? Not by a long shot. Is it complicated? No way. Avoiding the five temptations, and embracing their opposite behaviors, is just plain difficult to do. But it doesn't take an advanced degree to do it. It takes discipline, courage, humility, and a willingness to make things simple.

