

# The CEO Advantage: CEOs Need to Focus on Overall Corporate Results, Not Individual Rescue Operations

By Nancy MacKay, Ph.D

## CEO challenge

A CEO found himself spending most of his time working with one member of his executive team who was not meeting his targets. The CEO had joined the company two years ago and had yet to be impressed by this individual, who had a 10-year history with the company. What's more, the individual was in the midst of some serious personal problems, including medical issues and a divorce. The CEO was sympathetic and, in addition to his time and support, had ensured his direct report had received development training, at a significant cost to the company. Despite it all, the results just weren't there.

## CEO mistake

It's natural to want to help someone going through a tough time and, as a new CEO, there could be some strategic merit in being seen as supportive of a long-term employee who has hit a bad patch. But as the leader of the organization, you are responsible for the well-being of all the organization's stakeholders. Permitting below-par performance is bound to hurt morale, never mind the bottom line. Furthermore, by spending so much time rescuing instead of developing his A-players, this CEO was missing a major opportunity to accelerate results.

## CEO solution

It's the CEO's job to deliver extraordinary results mostly through leadership that allows employees to achieve their full potential. Those with the right skills, behaviours and experience who are also passionate about their work are A-players that need the majority of the leader's attention and encouragement. Those that lack what it takes will really never get there, and a leader is not serving them or anyone else by keeping them in roles in which they cannot succeed.

Here is what our leader should have done.

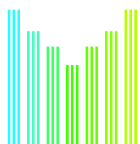
It takes about 90 days to determine if someone is fit for his or her role. By developing desired outcomes for the end of a 90-day period and helping the individual form a plan to achieve those objectives, a leader will be able to identify those who have the right combination of competence and enthusiasm.

During the 90 days, the CEO should meet with the person for 30 minutes a week, either by phone or in person. During the meeting, the CEO provides feedback, coaching, mentoring and guidance, while also assessing the person's ability to execute against his or her plan.

At the same time, it's critical for the CEO to identify individual strengths and weaknesses in the executive team. Poor performance in one role doesn't necessarily imply the executive won't do well elsewhere in the organization.

At the end of three months, a leader will be in a position to do one of three things: continue to support and develop a top performer, find another role for a potentially great employee or help the individual exit the company.

In this case, providing an employee assistance program to help this executive cope with personal problems would also have been in order. But, eventually, tough decisions need to be made for the benefit of all concerned. •



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