

How to think like a CEO and act like a leader

Michael F Andrew on why thinking and acting like a leader are two powerful components to successfully leading an enterprise.

Thinking like a CEO and acting like a leader are two powerful components for successfully leading an enterprise. These go beyond the purview of just the senior executive. Everyone in business, if they want to distinguish themselves, should think with an executive perspective while demonstrating and modeling effective leadership behaviours.

But how does one think like a CEO and act like a leader? CEOs need to think with an executive perspective, which requires business acumen and strategic thinking. Peter Drucker, one of the most prolific management thinkers, was known for saying, "There is only one valid definition of business purpose: to create a customer." Thinking with an executive business perspective begins with this. Of course, making money is imperative but a company cannot make money if it doesn't keep creating more customers and retaining those customers.

CEO's are often in an unenviable position in that they have to manage the sometimes conflicting interests of their constituents such as customers, shareholders and the financial community. Customers have demands and choice whilst shareholders demand a healthy return on investment and the financial community wants reasons to be confident in the organisation's direction.

Business leaders must think strategically. They must keep in mind three factors; 1.) the external environment 2.) the corporate purpose and 3.) the international organisation capabilities.

The external environment refers to economic realities, competitive issues and threats as well as how the competitive environment is changing in terms of customer needs and demands.

A corporate purpose refers to a company's mission, strategy and culture, and the ability to adjust each accordingly while the internal organisational

capabilities is where the rubber meets the road as it identifies what capabilities the organisation must have in order to execute strategies and achieve the goals.

How do you develop the above capabilities? Look to the strategic framework called SWOT. Strengths (capability-wise, where is the company strong and unique?), Weaknesses (where is the organisation weak?), Opportunities (what marketplace opportunities should you be going after?) and finally Threats (What threats are palpable in the marketplace based on competitive, economic and global realities?)

Thinking strategically means having an execution discipline. If every company has a winning strategy, then why doesn't every company win? It is about execution and this is where good leadership plays a role.

So, how does one act like a leader? A few principles must include the following;

- 1) Leaders serve; they serve their constituents such as the marketplace, customers, employees, shareholders and community.
- 2.) Leaders model; they model effective leadership, not boss-ship, by their actions and behaviours.
- 3.) Leaders facilitate; they don't act like they have all the answers, they know how to facilitate to get things done.
- 4.) Leaders are genuine and authentic; there is a saying that "people don't care how much you know until they know how much you care." Steve Jobs personally interviews candidates for senior management positions at Apple. Why? Because he wants to be sure that every potential executive will "fall in love with Apple."
- 5.) Leaders treat issues coldly and people warmly; these are not mutually exclusive, effective leaders do both. They are courageous enough to be candid and straight-forward when dealing with

an issue, and they do so in a respectful manner.

The salient combination of thinking like a CEO and acting like a leader will distinguish your performance, impact business results and ultimately, value in the marketplace.

Michael F. Andrew is the author of How To Think Like A CEO and Act Like A Leader. The opinions expressed are his own.

