

# THE CEO CHECKLIST



A MANAGEMENT GUIDE TO EXCELLENCE IN  
LEADERSHIP, BUSINESS, AND PERFORMANCE

This checklist keeps busy executives strategically focused and accountable for improving leadership and business capability, to drive bottom line results

The checklist can be used to:

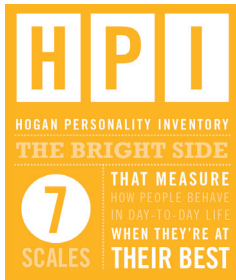
- Assess the strengths and opportunities of the business/business unit
- Get the difficult issues on the table for discussion
- Identify gaps in current business practices
- Identify opportunities for leadership development
- Sign off on an action plan to take the business to the next level



Peter Berry Consultancy (PBC) provides evidence-based solutions that enable organisations to select the right people, develop key talent, build better leaders, and enhance organisational performance. PBC is proud to be the Australian distributor of Hogan Assessments.

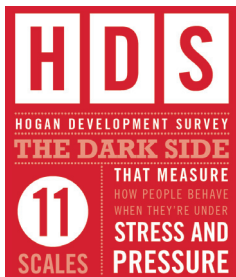
# Our Background

Peter Berry Consultancy (PBC) is a professional services business specialising in assessments and consulting. We have more than 25 years of consulting practice. During this time, we have taught in business schools, presented to thousands of CEOs, and used assessments and consulting services to add value by finding solutions for clients. We have always thought that science should inform practice. To that end, we are proud to use leading-edge global assessments that are rich in research and user friendly for executives. For more than a decade, the Hogan Assessments listed below have heavily influenced our research and practice.



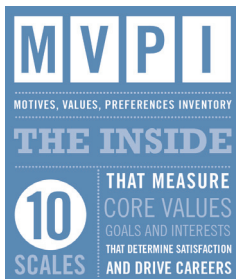
## THE BRIGHT SIDE OF PERSONALITY

*A predictor for characteristic day-to-day behaviours that concern important components of all jobs. The HPI provides systematic information on personality strengths and weaknesses.*



## THE DARK SIDE OF PERSONALITY

*An assessment that explores the characteristic ways in which a person responds to increasing pressure, stress or insecurity. The HDS predicts behaviours that can lead to career derailment.*



## THE INSIDE OF PERSONALITY

*An assessment that explores the core values and goals at the centre of an individual's identity. The MVPI predicts individual fit within a career, team and organisation.*

In our consulting practice, we blend leadership development with business best practices and a focus on bottom-line results. We believe that leadership drives engagement, and that engagement drives performance. Our philosophy is that sustainable, superior results come from building leadership and business excellence. We enhance performance by building capability.

For many years we have asked ourselves 'What makes for a great business?' and 'What role does leadership play in growing a great business?' The CEO checklist is focussed on defining the key

result areas in both of these categories by drawing on our earlier research, writings and favourite business literature.

**LEADERSHIP DRIVES ENGAGEMENT**

**ENGAGEMENT DRIVES PERFORMANCE**



The CEO Checklist is meant to embed best practices in leadership and business to improve performance. It encourages business leaders to think beyond current best practices for competitive advantage. The concept of a business checklist is new for the majority of senior managers, who typically have never seen or used one.

# Business Excellence & Employee Engagement

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At PBC, we have always been impressed with the fact that business excellence and engagement deliver return on investment. The reason that organisations commit time and effort to a business excellence framework is that they are serious about continuous improvement. Studies show that superior financial performance is achieved, and the work performed by global engagement survey providers also proves that engagement enhances sales, revenue, safety, productivity and profitability while reducing absenteeism and turnover. Engagement pays.

Managers should be held accountable for engagement, which can be measured and improved. Engagement is created by management behaviour, team culture and job fit. Building a positive culture and selecting the right people are paramount. Our Hogan 360° research shows that the single biggest difference between a high 360° score and a low 360° score is competency around people skills. Managers, peers and direct reports all highlight the importance of a manager demonstrating resilience and people skills if they are to achieve a high-ranking 360° result. The research also shows that managers who get outstanding 360° results are hard-working, competent, have good people skills, and an enthusiastic/positive attitude. They are capable and likeable.



*A multi-rater instrument designed to measure one's leadership effectiveness. Behavioural and business competencies are assessed by co-workers.*

People, teams, businesses and products have a brand. Self-awareness is the key to improvement. Brand is reputation and is the most important asset one can have. For individuals and teams, the brand will be about behaviour and performance. For individuals, a 360° review combined with personality assessments is the most accurate way of understanding your brand and how to improve it. For teams, the group 360° review, the combined personality assessments and the High Performing Team Assessment results will measure the team brand and identify improvement opportunities.

The High Performing Team Assessment (HPTA) is an online assessment completed by each member of a management team. It contains 60 scaled items, an opportunities table, and open-ended questions. It is used to measure both the culture and performance of a team. It easily identifies an action plan to make the team better. Business plans should have a goal for all teams to be high performing. Many teams are dysfunctional, and this impacts performance.



*The PBC HPTA helps teams understand their strengths and weaknesses, and provides a roadmap to improve performance and culture.*

# Leadership Performance

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We define building leadership performance as having six key result areas:

## 1 MEASURING, UNDERSTANDING AND IMPROVING YOUR BRAND

**Brand** is one's reputation as seen by observers. It is critical to one's success. Brand involves both behavioural and business competencies. It starts with self-awareness, which is best achieved through personality assessments, 360° feedback, coaching and practice. One needs to be motivated and disciplined to improve competence, confidence and reputation. A person's brand is ultimately what they choose it to be.

## 2 GETTING RID OF BAD HABITS AND ADDING NEW HABITS

Good **habits** are competencies that make an individual more effective. It's about being likeable and capable. Competencies can be developed from self-awareness. One needs feedback to discover what to keep doing, stop doing and start doing. Habits can be personal (exercise) and professional (setting goals/KPIs). They can be learned and become second nature. But remember, the brain is a slow learner, it takes a lot of practice and persistence.

## 3 BUILDING EMOTIONAL INTELLIGENCE (EQ) COMPETENCIES

Everyone has a natural level of **EQ**. Most importantly, emotional competencies can be learned if one is motivated to do better. These competencies relate to people and social skills, and managing emotions maturely (i.e. getting along to get ahead). The goal is to demonstrate intra- and inter-personal skills so that one is engaged and engaging. Being resilient and warm gets people connected, builds trust, and enables one to influence others.

## 4 BEING RESILIENT

Using **positive energy and thoughts** to cope with turbulence and disruption is critical to sustainable performance. We want people to be in the high-performance zone with positive thoughts and energy. This is best achieved by practicing recovery ("me time" for rest and renewal). The goal is to avoid stress and burnout, which impacts 70 percent of managers in their careers. Energy is expended and must be recovered. Human beings are not machines.

## 5 EXERCISING GOOD JUDGEMENT

Consistently **making the right calls** when it comes to big decisions is crucial. Managers must focus on getting the key business decisions right, especially concerning strategy, staffing and operations. Risk management is crucial. People judgements can be some of the hardest. Good judgement is not an inherent trait for most people, but rather a skill that can be developed. Half of all decisions end in failure and can damage one's brand.

## 6 BUILDING A HIGH-PERFORMING TEAM

Leading and sustaining a **high-performing team** is the ultimate measure of a leader. Business is about delivering results. Teams deliver results. Therefore, a leader should be measured by the culture and performance of their team. Many teams are dysfunctional, which impacts performance. The concept of "one team, one plan" is critical to getting everyone on the same page. Assessing team strengths and weaknesses is the key to improvement.

# Business Performance

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We define building business performance as also having six key result areas:

## 1 HAVING A STRATEGIC PLANNING CYCLE

Having a robust and strategic **planning cycle** with quarterly reviews is the key to being strategic, not just operational. Managers have to work *on* the business, not just *in* the business. The one-page business plan describes what winning looks like, and helps provide clarity and focus. Financial and non-financial goals are needed to achieve a balanced scorecard. The focus needs to be both short term and long term.

## 2 BUILDING A PERFORMANCE CULTURE

**A performance culture** helps the business plan succeed. Culture can be guided by organisational values, and these should be supported by articulating desirable and undesirable employee behaviours. Values without behaviours can be useless. A performance culture drives discretionary effort, productivity and customer engagement, whereas a culture of legacy or entitlement can destroy a business.

## 3 ACHIEVING EMPLOYEE ENGAGEMENT

**Employee engagement** is based on the effectiveness of recruitment, induction, development, motivation and retention. Hire hard and manage easy. Companies should aim to be an employer of choice or a great place to work, because engagement pays. It delivers on safety, productivity, sales, profitability and retention. Engagement is most impacted by managers (this should be measured), followed by team culture and job fit.

## 4 ACHIEVING CUSTOMER ENGAGEMENT

**Customer engagement** is crucial to building loyalty, cross-selling and receiving referrals. Customers want functional and emotional value, which drive repeat business. Functional value is defined by price, value, quality and reliability. Emotional value is created around the service experience, good communication and relationships built on trust. Customer surveys measure engagement and identify improvement opportunities.

## 5 DELIVERING SERVICE AND OPERATIONAL EXCELLENCE

Most businesses have traditionally had 30 percent waste and inefficiency through errors and double handling. Re-work is the enemy. Businesses need to adopt the philosophy of “**get it right, first time, every time.**” Quality improvement tools should be used to work toward zero defects on key processes. This will drive productivity, efficiency and cycle time. Supply chain management and partnering with important suppliers is critical.

## 6 EXECUTING THE STRATEGY

This involves having discipline around KPIs and a regular strategic meeting rhythm. **Accountability** must be strong. Poor performance should be called out. **Leading change** successfully and dealing with employees' emotions on this journey is critical for reinventing the business and coping with a turbulent external environment. Execution is a form of competitive advantage when carried out better than the competition.

# The CEO Checklist

The CEO Checklist is a roadmap of best practices for achieving leadership and business excellence. It can be used as an assessment tool by individual managers and management teams to:

- ▶ Assess the strengths and opportunities of the business/business unit
- ▶ Get the difficult issues on the table for discussion
- ▶ Identify gaps in current business practices
- ▶ Identify opportunities for leadership development (assessments, programs or coaching)
- ▶ Sign off on an action plan that could take the business to the next level

*Managers are asked to rate the 50 items as being Low, Medium or High for the business:*

■ Low   
 ■ Medium   
 ■ High

CEO CHECKLIST			
1. We understand that leadership drives engagement, and that engagement drives performance			
2. Every senior manager would be reappointed tomorrow if we had to start the business again			
3. We have succession plans in place for all senior management positions			
4. Our managers have undergone personality assessments			
5. Our managers display strong competencies in relation to likeability and capability			
6. Our managers have the right balance of working in (operational) and on (strategic) the business			
7. Our managers have development plans to further build behavioural and business competencies			
8. Our managers display strong emotional intelligence through composure and appropriate social and emotional behaviours			
9. We use personality and cognitive testing when hiring new managers			
10. Our managers show high levels of resilience by consistently demonstrating high energy and positive thoughts			
11. We consistently make the right judgement calls on big decisions (strategic, structural & operational)			
12. We understand that judgements involving people are often the most challenging; we generally get these right			
13. When making big decisions, we always draw from past experience			
14. When it comes to big decisions, we build in techniques and scenarios to manage risk and improve decision-making			
15. All teams are expected to be high performing, and we regularly review their culture & performance			
16. Our senior executive team has a great culture and is high performing			
17. Every year we spend money on targeted leadership programs to develop bench strength & capability			
18. Our business plan provides a clear vision of what winning looks like			
19. We have a rolling (three- to five-year) strategic plan supported by a robust one-year plan			
20. We have a one page executive summary business plan, used to provide clarity & accountability			

# The CEO Checklist cont.

## CEO CHECKLIST

21. Our revenue and profit performance projections look sound
22. All business units/teams have second-tier plans that are aligned with the master business plan
23. We have a rigorous strategic planning cycle in place
24. We conduct quarterly reviews of the strategic plan
25. At these reviews, we spend 50 percent of our time reviewing strategy and 50 percent building a high-performing team
26. Our culture and strategy encourage innovation, and we are good at implementing new ideas
27. Our results show that we are an employer of choice
28. Our values are supported by behaviours; our employees know the behaviours we want and don't want
29. We employ robust recruitment systems to hire the right people
30. We formally induct new hires and use a probationary period to assess both likeability & capability
31. We achieve top-quartile results in our employee engagement surveys
32. Our one-page plan is used as a communication tool for all employees
33. The bottom 10 percent of employees are identified regularly and either improve, or are removed in a timely manner
34. We give our customers a high degree of functional value around price, quality and reliability
35. We give our customers a high level of emotional value around service, communications & trust
36. We are a provider of choice for the majority of our customers
37. Support services add significant value to our business
38. The results of our customer surveys are very good
39. Lifelong customer loyalty is our goal, and our high retention rate reflects that effort
40. We achieve our service and operational excellence goals
41. We use quality improvement tools to work toward zero defects on key processes
42. We have performance standards in place for key processes so that we avoid deviations
43. We work strategically with suppliers for mutual gain
44. Our technology is up to date and efficient
45. All teams have KPIs in place, covering areas such as financials, operations, customers & employees
46. All managers are measured annually through 360° reviews, employee surveys or high-performing team assessments
47. Our structure supports the strategy; we don't have any silos
48. Our execution of the plan is supported by strong implementation processes
49. Accountability standards are high throughout the business
50. We understand that change is permanent, and we deal with people's feelings/emotions as part of the journey



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