



THE
CEO
CHECKLIST

PETER BERRY

The CEO Checklist

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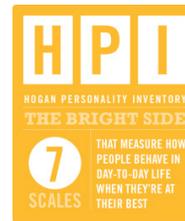
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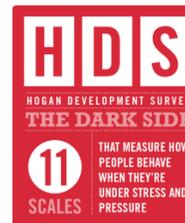
Our Background

Peter Berry Consultancy (PBC) is a professional services business with more than 25 years of experience in delivering management consulting and assessment-based solutions. 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.



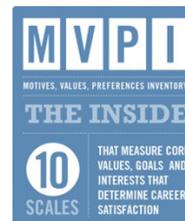
The Bright Side of Personality: Hogan Personality Inventory

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. This information can be used to construct a high-impact development or selection program that can have a lasting impact on a person's future success.



The Dark Side of Personality: Hogan Development Survey

An assessment that explores the characteristic ways in which a person responds to increasing pressure, stress or insecurity, and the way that person impacts others as he/she overuses coping behaviours. From this perspective, the HDS predicts behaviours that can lead to career derailment.



The Inside of Personality: Motives, Values, Preferences Inventory

Explores the core values and goals at the centre of an individual's identity. Values dictate the leader's emphasis when working with others and the type of environment the leader promotes. From this perspective, the MVPI predicts individual fit within a career, team and organisation.

**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 about next 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

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. A brand means a reputation and a reputation 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.

CEOs need a checklist because they can often be far too operational and not strategic. Their day-to-day experience can be one of meetings and crisis management. They often lack discipline around leadership and business excellence. They often tolerate poor-performing managers and dysfunctional teams. The checklist provides a holistic health assessment of any business.

Our passion for continuous improvement in understanding business excellence allows for a sharp focus on the critical success factors of both leadership and business performance. Bottom line performance is driven by these two competencies. We also believe in the philosophy that less is more. As such, the information presented here is simple and succinct.

Leadership Performance

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

<p>1. Measuring, Understanding and Improving Your Brand</p> <p>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.</p>
<p>2. Getting Rid of Bad Habits and Adding New Habits</p> <p>Good habits are competencies that make an individual more effective. It is 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.</p>
<p>3. Building Emotional Intelligence (EQ) Competencies</p> <p>Everyone has a natural level of EQ. More 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.</p>
<p>4. Being Resilient</p> <p>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 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.</p>
<p>5. Exercising Good Judgement</p> <p>Consistently making the right call when it comes to big decisions is crucial. Managers must focus on getting 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.</p>
<p>6. Building a High-Performing Team</p> <p>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 business 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.</p>

Business Performance

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

<p>1. Having a Strategic Planning Cycle</p> <p>Having a robust and strategic planning cycle with quarterly reviews is the key to being strategic, not just operational. Managers have to work <i>on</i> the business, not just <i>in</i> 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.</p>
<p>2. Building a Performance Culture</p> <p>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.</p>
<p>3. Achieving Employee Engagement</p> <p>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.</p>
<p>4. Achieving Customer Engagement</p> <p>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 should be used to measure engagement and identify improvement opportunities.</p>
<p>5. Delivering Service and Operational Excellence</p> <p>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 important suppliers is critical.</p>
<p>6. Executing the Strategy</p> <p>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, disruptive external environment. Execution is a form of competitive advantage when carried out better than the competition.</p>

Making Excellence a Way of Life

The easiest way to make business excellence a way of life is to start by having a rigorous business planning cycle that includes building leadership capability.



It is important to have an annual planning cycle in place so that strategy and execution become a way of life, not a random event.

This can be achieved by the following:

- Creating an exciting three to five year strategy that defines goals around success, growth, stakeholder engagement and service/operational excellence.
- Translating the broader strategy into one-year plans with clearly defined goals, milestones, measures and accountabilities ... who, what, when, where?

- Cascading the master plan into second- and third-tier plans to take the helicopter view down to business unit levels, so there is a clear line of sight from top to bottom.
- Holding managers accountable for their goals/KPIs in a formal and regular manner. Managers are evaluated for both their performance and behaviour.
- Communicating to employees a one-page summary business plan to create engagement and accountability. The launch of the plan should be energising.
- Communicating the strategy “seven times, in seven ways” to get a high level of employee awareness and ownership.
- Holding disciplined management team meetings to focus time separately between strategic and operational agendas.
- Reviewing progress regularly — at least quarterly. At the quarterly reviews, spend 50 percent of the time reviewing strategy, and the other 50 percent on team culture.
- Sponsoring a leadership program to build capability to deliver the goals. Emerging leaders are targeted.

To build a high performing team we must focus on building trusting relationships. In our experience this is best done by:

- Sharing one’s life history (two highs and two lows).
- Sharing the results of personality assessments and 360 feedback.
- Running a session on emotional intelligence and how to learn new personal and social skills.
- Running a session on good judgement and how to improve our decision-making processes.
- Giving behavioural feedback to each other around what to keep doing, stop doing and start doing.

The CEO Checklist

The CEO Checklist is a road map 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)
- Approve 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:

CEO Checklist	Low	Med	High
1. We understand leadership drives engagement, and 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 demonstrating high energy and positive thoughts.			
11. We consistently make the right judgement calls on big decisions (strategic, structural, and 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 and 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 and 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, which is used to provide clarity and accountability.			
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 and 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 and 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 and 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.			