Grooming a World-Class Chief Executive: Part 1
Defining World-Class Performance Dimensions
Who has the most critical and influential role in every institution? Most people would agree it is the CEO.

Not only are the organization’s prospects impacted by the CEO’s leadership, the lives and fortunes of thousands of people, and sometimes entire communities, are affected by their decisions.
They know that cultivating exceptional talent is a competitive advantage. While compensation is always a consideration in attracting and retaining talent, people also make decisions about where to work based on the people they will be working with and for. Ajay Banga at MasterCard is a great example of this. He is a talent magnet and is making tangible commitments toward the development of his workforce. Great talent begets great talent. World-class CEOs know this and make significant investments toward making sure they surround themselves with the finest individuals available.

Create Stakeholder Value
Great CEOs represent the company to all key stakeholders with high levels of respect, credibility, and integrity and create value through building strategic relationships within each group. The board of directors tops the list: wise chief executives leverage its contribution and spend time cultivating a strong partnership.

For publicly traded companies, it is essential to properly inform and guide the investment community. All companies have vital customers and funding sources who expect to interact with the corner office as well. Time and attention should also be given to industry, regulatory, and community constituents. While often overlooked, the workforce of the company is a critical stakeholder. Great CEOs inspire their employees and engender pride of association. Those who miss on this or (worse yet) violate public, customer, or employee trust, erode the reputations of their company and compromise their ability to attract the best talent.

Skillfully Manage “Moments of Truth”
Even the best leaders will likely face some unforeseen situations outside their control that pose serious threats to the organization’s well-being and maybe even its existence. How CEOs conduct themselves when faced with these challenges usually plays out in full view on the world stage. Consider the difference between the leadership of BP during the oil spill versus that of Johnson & Johnson, who were praised for their swift actions during the 1982 Tylenol-tampering crisis. Courage, a strong moral compass, and unequivocal ethics, especially during times of great stress and challenge, are the character traits that result in high levels of respect, credibility, and followership.

The Bottom Line
Whether you are selecting a new leader, trying to become a better CEO, or preparing potential successors, remember that a world-class chief executive:

- Ensures the right company strategy and direction
- Makes the right investment of company resources
- Maintains unwavering focus on talent
- Creates customer and stakeholder value
- Manages “moments of truth” with wisdom and skill

ABOUT RHR INTERNATIONAL
RHR International LLP is an independent global leadership consulting firm whose mission is to unlock potential in leaders. Through its behavioral lens, RHR has worked side by side with CEOs, board directors, and senior executives for more than 70 years, helping them acquire the knowledge, wisdom, and skills necessary to achieve business results.

RHR’s practical solutions, guided by in-depth analytics, lead to business outcomes that further clients’ success. RHR offers Executive Bench®: Talent Pipeline suite of services, Board & CEO Services, Senior Team Effectiveness, Leading Transformational Change, Executive Development, and Executive Assessment across industry sectors. For more information, visit rhrinternational.com.