

Introduction

I've got the best job in the world. I meet and speak with CEOs every day. As vice-chairman of one of the leading executive search firms in the world, I'm in the enviable position of having my finger on the pulse of global leadership. You would think that after all these years, I'd be jaded and my enthusiasm to meet new leaders would have ebbed. Well, it hasn't.

As the world changes, so do its leaders. When the economy is doing well, you tend to meet leaders who are people-oriented, persuasive, and sensitive. When the economy dips, the leaders in greatest demand are those who are tough, exacting, and able to make the really difficult calls that can affect large numbers of people (like laying off thousands of workers). And while there are leadership traits that are common around the globe, leadership styles differ from continent to continent. In addition, different industries call for different strategic and tactical skills.

Often, when someone new finds his way into the corner office, it's because the shareholders of the company want change and they've decided the old leadership can't deliver that change. While aspiring C-suiters may think they are able to start with a clean slate, many are

shocked by the existing deck of cards they have to play with: a deck that does not permit them to institute the change they know is needed immediately. You can only properly understand that by talking to someone who has experienced it.

As I interview up-and-coming executives around the globe, I sense a real thirst for understanding the “secrets of the C-suite,” the realm of the corporate world’s chief officers. The C-suite, for the uninitiated, is the current nomenclature for the offices that house the company’s executive management—people with titles that begin with “Chief.” No matter how stoic the leader, I often detect a lack of confidence, despite their success and the achievements needed to get that job. They don’t know what they don’t know and it unsettles them.

On the other hand, I found that successful executives who were already there were very open about their successes and failures. One of them put it to me so plainly that I had to go back in my mind to see whether I’d missed something: “Those who make it to really high levels may not even realize they are on the journey.” Now, on behalf of those who are just setting out, perhaps not even aware that they’ve done so, I have been able to ask those who have made it to the top tier of their respective industries—and stayed there—the question that is at the heart of this book: What do you know now that you wished you had known twenty years ago?

For me personally, this book was a challenge, too. I still had my day job, and interviewing executives all over the world would mean more traveling and more pressure for a year. I called my boss, Brian Sullivan, chairman and CEO of CTPartners. I needed his approval as this would take a considerable amount of worldwide resources and time. It took him thirty seconds. “This is who we are,” he said. “This is what we do. You have my personal support for this effort.” And since that was the case, I asked him about the most interesting interview he had had with a client. He told me about the time he

interviewed a successful CEO, “a Fulbright scholar, collegiate sports legend, and a highly decorated military officer. When I asked what his greatest accomplishment was, he responded, ‘My grandchildren.’”

This was not the last time I was going to hear something as unexpected as this as I embarked on my search for the difference makers in top executives’ careers. Indeed, Walt Bettinger, president and COO of the investment services firm Charles Schwab, told me quite simply: “The best leaders will be successful at life, not simply at work.”

To make sure the book had an authentic global perspective, I traveled for months, interviewed dozens of leaders in Europe, Asia, and North and South America and asked them to demystify the corner office for executives who were working hard to get there. Although I’ve written the book, the words of advice come directly to you from these leaders. I’m as much the messenger as the medium. I found all of them gracious and accommodating. They were incredibly generous in sharing their hard-earned knowledge with the prospective leaders of the future.

There were many surprises along the way. At one stage I realized that just about every executive told me the same thing—that they got inspiration from “the receptionist at the front desk.” They all seemed to say it the same way, too. Unlike those other things I knew “theoretically,” this wasn’t what I was expecting. I was expecting a childhood tale or something involving some great inspirational figure at a sensitive moment in their lives. “Yet you’ve all used the same words,” I said to one of them. “You know—I was inspired by my janitor or by my driver.”

Other pieces of advice struck a distinct chord. People reviewing the book prior to publication have told me that they wished they had read it twenty years ago. Their careers might have been different. But this book is not about killer insights and things no one had ever

thought of. After all, management is a much-studied discipline. Another interesting piece of feedback was that although the executives interviewed for the book are from industries, the lessons are applicable to executives leading any organization from corporations to schools, hospitals, or any large establishment that employs people.

The key to the book can be found in its purpose: I set out to examine and dissect the management principles and insights that fill the pages of the best-selling business books of our day. In one exchange I asked a chief financial officer about what he described as “executive maturity.” Of course, I said, I know it comes through experience. But I wanted to dig deeper. What were the key elements of experience that aspirant young leaders need to master? Every time I pushed, the answers came—not catchphrases or labels, not textbook chapter heads or PowerPoint boxes, but detailed insights steeped in personal knowledge and laced with real-life stories and examples, many of them poignant, many funny, most both of those things.

So we laughed a lot. Sometimes just reflecting on what one does can seem funny. Kenneth Hicks, chief merchandising officer at JCPenney, half-jokingly told me: “The problem with our job is we don’t really do anything. I mean, people at our level—I mean, it’s a terrible thing to say.” Delighted at the thought of where this might be going, I replied: “No, I think it’s a great thing to say.” And then I got what I was looking for: “We don’t *do* it. We provide the resources, the guidance, direction, for all the people underneath us, who work with us, and the only way we can do that is in meetings. Otherwise, you meet one person at a time, and you have a line of people outside the door.” There it was: an amusing—and honest—picture of life at the top.

In a similar vein, veteran retailer Rick Dreiling explained what it felt like when he took over at Duane Reade, the largest drugstore chain in the New York City metropolitan area: “I got here the week before Thanksgiving,” he said, “and you know how it is. I’m sure

you've placed a lot of CEOs—they call you about two weeks later and go: 'Did you know what I know now?' Right? And I mean, I was here two weeks and all of a sudden you're going, *Oh my God. . . .*" He displayed mock dismay as he proceeded to tell me about the moment he realized just how much harder the job was going to be than he thought. It was that kind of fresh and frank humor that filled my days with delight interviewing people for this book.

I tried to talk to executives from a range of places, industries, and backgrounds. I interviewed leaders of Fortune 100 companies and CEOs of start-up corporations. I spoke with both men and women. The youngest was barely thirty, the oldest past sixty. One was a young female CEO running a construction company in the Middle East, a potpourri of ironies if ever there was one. Another was the brother of the prime minister of an Asian country who was a leader in his own right. I also met with an African American CEO who headed a world-renowned financial services firm and an executive who grew up in India, lived in the United States, and then led a French telecom giant in the United Kingdom.

Wildly divergent views? Not really. There is a common thread of leadership without which the world's great corporations would not be able to function. As Terrance Marks, president of Coca-Cola Enterprises, put it: "You know, it's funny, the more time you spend [doing this] or the older you get, you find out that the advice you have to impart is increasingly less original. There's probably a good reason for that." But very little of what I heard from any of them was pat, tired, or formulaic.

One executive with a background in the armed forces, Kenneth Hicks of JCPenney, gave this somewhat chilling piece of advice: "The military is actually a very good place to really learn leadership. People think, Well, in the military you just give them an order, right? And they just do it. And I said, Okay, think about this. You're making

\$30,000 a year. Somebody comes up to you and says, 'I want you to get in that Humvee, I want you to drive down that road and do it because it's the right thing to do for the country.' 'But I could get killed doing that. And if I don't do it, what will you do? You'll send me back to the States?' 'Yeah.' 'So I can take a risk and go out and possibly get killed because I'm doing what you want me to do and I believe in you and the mission that we have—or I can go back home?'" As Hicks demonstrates, it is possible to make common people do uncommon things with the right leadership traits.

Where I found the most differences was in the core functional strengths of individuals from different industries. Leaders from the retail industry had merchandizing and marketing strengths. PC makers were very detail oriented as they had to work very hard to keep their firms profitable. Financial service industry executives were able to articulate broad strategic plans, and service industry CEOs, as you might expect, were extremely customer focused, while technology leaders were visionaries. That is not to say that executives from one industry did not share strengths with their counterparts from different industries; rather, it was that their core strengths differed.

This makes for some interesting analysis regarding the best career paths for executives in different industries. For instance, without exposure to supply-chain management and accurate sales forecasting, it is almost impossible to lead a low-margin computer manufacturer. While it is important to get exposure to a broad range of functions on your way up, some functions are going to be more important than others, depending upon your industry.

There were times when someone would say something that seemed to capture the central question of the entire book. These statements were simple, yet compelling and powerful. Take Jim Donald, whom I interviewed within weeks of his losing his CEO job at Starbucks. He has an extraordinarily successful career in retail, going back to when

he was a bag boy in a supermarket at age sixteen. You might think he could have claimed that there was something almost predestined about his career, something he could see or sense right at the start. But no: "I don't think anybody wakes up and says, I want to be a CEO. . . . I think people aspire to take on larger roles, more responsibilities, and lead more people. I think by people liking what they do and wanting to take on greater responsibilities, that—and depending upon their success—that naturally directs them to . . . a bigger area of responsibility. I never woke up and said, 'Hey, you know what? I think I'll be a CEO.' It just happens."

One of the other central questions I had was, What was the difference between a great executive and a mediocre one? Schwab's Walt Bettinger put it like this: "I'm of the view that the difference between the two is very small. It's less that one makes ninety percent good decisions and the other makes ten percent good decisions. They probably make about fifty percent of each, but the difference is that the executives who excel tend to maybe more quickly recognize which fifty percent are which and have the humility to admit to the wrong fifty percent and do something . . . about it."

Brian Sullivan confirmed this from our side of the table. He first pointed out that the average tenure of a CEO is about five years. "There have been a lot of CEOs in place for over ten years; therefore a significant amount must get fired in their second year in order to make the average work." Sullivan also had an important message for executives about what to do when they get things wrong: "Most CEOs have failures every month. Today's wow idea can be tomorrow's failure. CEOs must be alert to the market, their competitors, and their clients or customers. All three will let you know when you've failed, hopefully in time to correct it. Anyone who tells you they have had a failure-free career has committed one of the biggest failures—lack of self-awareness."

Another thing that may surprise people who have not spent a lot of time with top executives is that they are not always visibly charismatic. They all have what might be called executive presence, but not all of them inspire you with it. However, once you have spent significant time with them, you find that they are all inspirational in their own way.

I met with them in various places—at their offices, in restaurants, at conferences, and in airports. Not one of them seemed rushed. They seemed truly interested in people, and they knew I was working on a book aimed at people who wanted to know about them and what they did. As an executive recruiter who spends a lot of time with both established and wannabe executives, my “BS meter” is pretty good. While some of them hammed a little for the book, most were genuine, even with seemingly clichéd issues such as team building, communication, passion, and the like. The most repeated answer to the question “What were some of the things you found in the C-suite that you did not expect but which made you feel happy about being there?” was that they did not realize the extent of fulfillment they would gain from mentoring and nurturing potential successors.

One of the CEOs I met early in the process told me that the reason he had agreed to be interviewed for the book was that I was “going to the source.” Although I have led companies, I did not want to stand on the sidelines of global corporations and espouse theory after theory as a consultant might. Those books lie like skeletons across the publishing graveyard. I wanted this to be a book by successful executives for ambitious managers whose primary career goal was to someday lead a corporation. I did not want to focus on work alone, but also to ask more personal questions as well, such as how they managed to keep their marriages intact as they flitted across the globe seven days a week. They were disarmingly honest about issues like that. And they didn't all say the same thing. While some said it

was lonely at the top, a CEO of one of the world's top telecom companies completely dismissed that notion and said that it was only as lonely as you made it out to be. He said that the key to keeping loneliness at bay had to do with one's circle of friends outside of work—keeping them the same before and after getting to the top and not treating them differently.

Over the years, I've observed a noticeable increase in the complexity that top executives have to deal with. With onerous regulatory laws such as Sarbanes-Oxley and increasingly activist shareholders, CEOs and those who report directly to them are probably under more pressure than ever. For many, there is only an unceremonious exit from the C-suite in their future, either because they've grown weary of the regulators or because they have not been able to adapt to rapidly changing conditions. I was struck by the number who said that the trip to the top may not be worth the hassle for everybody. One retiring CEO of one of the largest food products companies in the world told me that if the only ambition of a young employee is to become a CEO, then she is going to have a very difficult life because she will be constantly chasing an elusive goal and will not enjoy the more important part—the journey. There are many roads to success in the corporate world, and not all of them lead to the top job. It is entirely possible to have a successful, rewarding career without becoming CEO. Obviously, it is better to know this before you embark on that journey.

That's why I didn't hesitate to ask questions about life outside the office. I wanted to know if "work-life balance" was just management-speak to show your employees that you have a softer side. I found that although many of these leaders struggled with finding that balance, they would have done things differently if they had known how their personal lives would turn out. Without exception, they told me that without the support and understanding of their partner or spouse,

they would be doomed to misery during those times when they are truly alone. And it isn't only understanding in the broad sense of the word, but an understanding of the extent of the effort that will be required to make it to the top and stay there.

They also unanimously cautioned managers about changing their colors and beliefs to suit the office politics of the day. That's a prescription for failure, since there will come a day in which that individual looks in the mirror and discovers that he or she has lost a sense of self. While these may feel like touchy-feely topics, the executives I spoke to advised others to think about such things long and hard before starting on their climb up the greasy pole.

Writing this book felt a bit like completing an MBA in an exclusive business school. Rather than listening to lectures, I heard them from successful leaders of today who have already reached the top. These were successful, driven individuals who got there by different means and in different circumstances. But they share certain common characteristics. Some of those characteristics are worn on their sleeves. Others are deep inside the individual, bubbling to the surface when the occasion demands it. As I dug deeper, I found the answers to the most fundamental questions, such as what made these leaders tick. Their responses made my interviews both exhilarating and inspiring. They impart an education that is not theoretical but based on that most credible qualification of a true teacher—proven success.

Through my work, I've also met with thousands of up-and-coming executives. Although I focus on top-level talent, ironically, it is the interaction with younger executives who have an eye on the corner office that led me to write this book. Here, too, I have found common characteristics, but these findings have been more alarming than inspiring. The one positive attribute that they do share with successful executives is ambition. However, ambition is only a catalyst and not the active ingredient in the formula for success. It needs to

be mixed in equal measure with other essential elements such as a strong work ethic, innovation, creativity, survival, instincts, and adaptability. And although I can't remember more than one or two actually saying you need a sense of humor, almost everyone displayed ample talent in that department.

The overriding theme gleaned from the dozens of executives I spoke with is that there is no one express elevator to the top. In fact, several told me that you should avoid a speedy rise, as the faster you rise the quicker you fall. In the following pages, I hope you learn the same valuable lessons that I learned while writing this book. Some may not seem new, but have been lost over time, settling to the bottom of the collective consciousness of an overconfident society. And I hope you have as much fun reading it as I had writing it.