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Leading into Tomorrow: The New Qualities of a CEO



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The mandate for CEOs today is far more complex than it has been historically. CEOs have always needed to lead strategically, manage complex constituencies, create effective organizations, develop exceptional talent, and both motivate and energize people inside and outside of the organization. Yet the complexity of our current business environment also requires a leader who can swiftly enact change, confront the unknown, continually absorb information from numerous sources, and consolidate that information into decisions and actions more rapidly than ever before. At the same time, there is also a greater emphasis on character and empathy.

This leads to an expanded view of the differentiating leadership qualities that will make CEOs successful in the future: flexibility, adaptability, and the ability to pivot and think creatively while remaining steady in uncharted and difficult times. It is a tall order to combine traditional skills and experience with a new set of attributes. For organizations that wish to successfully enact their business strategy and deliver value over the long-term, this is becoming an imperative.

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It is clear that significant shifts in the turbulent external environment are reshaping the role of the CEO. While the traditional levers that drive success remain foundational, there are additional requirements for success within each of the following four key areas.

1. Strategy: Steering the organization with purpose through heightened and protracted uncertainty

Remarkably, traditional strategic attributes, such as industry experience, financial acumen, a strong customer relationship orientation, global experience, and a risk-taking appetite, are no longer enough to lead successfully and realize strategic goals.

Today's CEOs also need to cultivate an ability to lead through company principles based on purpose: what the company exists to do and what it stands for. They need to ensure that the business strategy is aligned with a thoughtful talent strategy and a healthy culture. CEOs must consider the human implications of their business strategy in order to achieve it.

2. Organization: Facilitating an agile design that addresses risk while capitalizing on opportunity and delivering value

Traditional attributes that have been considered critical include profit-and-loss and operations experience, a strong process and procedure orientation, delegation skills, and decision-making abilities. The reality today for many companies is that they operate within hierarchical and inflexible cultures that may stymie growth. While a proven track record and decisiveness continue to matter, agility, opportunism, and a willingness to be transformative and take a holistic perspective are emerging as critical attributes. CEOs must be capable of identifying and eliminating out-of-date methods for running the business, including leveraging emerging technologies. CEOs don't have to become experts in artificial intelligence, but they must prepare their companies to adopt it. They must be able to design agile organizational structures that empower employees to perform in an environment of learning, mission, and purpose. Finally, they must foster supportive corporate cultures, particularly in remote or hybrid settings.

3. Talent: Attracting innovative and learning-oriented talent; engaging a diverse, multigenerational workforce; and addressing evolving worker expectations

Being able to attract, develop, and retain talent is still a foundational skill. But the bar has been raised for what it takes to be successful in these areas. The reality in most workplaces is that employees lack the sense of purpose and belonging that's needed to fuel continued motivation to perform.

Engagement and how people feel about work has become a critical issue. CEOs must be able to connect with an increasingly diverse, multigenerational workforce that places a premium on work-life balance. They will need to build cultures that are purpose-driven and result in retention of the right employees for the right reasons. Rapid change means that organizations must offer opportunities for employees to learn new skills, along with the opportunity to use them. Finally, to engage and retain talent, CEOs will need to commit more time and resources to succession planning and leadership development deep within

the organization.

4. Personal leadership: Strengthening one's resiliency and modeling self-care, empathy, and determination

Accountability, confidence, drive, commitment, integrity, and strong communication skills are traditional CEO attributes that still matter. However, today's CEOs must also regularly demonstrate courage, humility, empathy, authenticity, and listening skills. The "command and control" era has long passed, and CEOs must generate followership that connects people to the organization's purpose and motivates them to execute strategy.

What can boards do?

There's a need—and an opportunity—for boards to engage their CEOs in conversations about what's needed in the next generation of leaders. An expanded definition of future success will have significant implications for CEO evaluation, succession planning, and development of the leadership pipeline. These discussions should be grounded in the desired attributes of future leaders and not just the foundational elements that have worked in the past. It will take time, but will also help the board better align management with evolving business and workforce needs.

About the Author

Peter brings 30+ years supporting CEOs and leadership teams through organizational change, including CEO succession, executive development, and integration challenges.

About Pearl Meyer

Pearl Meyer is the leading advisor to boards and senior management helping organizations build, develop, and reward great leadership teams that drive long-term success. Our strategy-driven compensation and leadership consulting services act as powerful catalysts for value creation and competitive advantage by addressing the critical links between people and outcomes. Our clients stand at the forefront of their industries and range from emerging high-growth, not-for-profit, and private organizations to the Fortune 500.