

CEO EXCELLENCE

The Six Mindsets That Distinguish The Best Leaders From The Rest

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MAIN IDEA

What makes a CEO great?

To figure this out, McKinsey & Co. analyzed 20 years of data on 7,800 CEOs from 3,500 of the largest public and private companies across 70 countries and 24 industries. They then factored in tenure, performance results, and corporate conduct to identify the 200 top-performing CEOs of the twenty-first century. Of that number, 65 were interviewed in-person.



The end result of all that analysis was it became clear the best CEOs think differently from average CEOs. Specifically, exceptional CEOs assume personal responsibility for six key responsibilities:

- 1 Set the direction for the company
- 2 Align everyone to the same goals
- 3 Mobilize the strategy through leaders
- 4 Engage the board of directors
- 5 Connect with shareholders
- 6 Manage their personal effectiveness

CEOs have the mindset that all six of these responsibilities are theirs, and they need to make them happen. In doing so, the best CEOs pull way ahead of their competition. They keep all six plates spinning at all times, even when market conditions dictate some need to be spun faster or slower than the others. It's the mix that counts.



6 Mindsets of the Best CEOs

- 1 DIRECTION-SETTING – Be bold
- 2 ALIGNMENT – Treat the soft stuff as hard
- 3 MOBILIZE – Solve for the team's psychology
- 4 ENGAGE – Help directors help the business
- 5 CONNECTION – Start with "Why?"
- 6 EFFECTIVENESS – Do what only you can

Mindset #1 – DIRECTION-SETTING – Be bold Page 2

Great CEOs embrace uncertainty, and realize fortune favors the bold. They actively try and shape their organization's future by applying boldness to their vision, strategy, and resource allocation.

Mindset #2 – ALIGNMENT – Treat the soft stuff as hard. Page 3

The best CEOs treat the soft stuff – people and culture – as the hard stuff. They know the soft stuff is hard to get right, and take radically different approaches when dealing with people.

Mindset #3 – MOBILIZE – Solve for the team's psychology Page 4

Great CEOs form and lead an effective management team. They focus less on what the team does together and more on how the team works together. They obsess over the psychology of their team.

Mindset #4 – ENGAGE – Help directors help the business Page 5

The best CEOs are proactive in helping build a board with the right skills, and then using the board to help run the business. They make it easy for directors to add value to the business.

Mindset #5 – CONNECTION – Start with "Why?" Page 6

Great CEOs connect with all their stakeholders. They do this by asking "Why are we relevant to our stakeholders?" Excellent CEOs dig deep to understand the motivations, hopes and fears of stakeholders.

Mindset #6 – EFFECTIVENESS – Do what only you can Pages 7 - 8

The best CEOs excel at prioritizing, and doing only what they can do. They prioritize the most critical issues, focus on what they need to do, and delegate any remaining tasks.