

The Six Most Common Mistakes Made By New CEOs

...And How To Avoid Them

**Congratulations
on your
appointment as
Chief Executive
Officer.**

Based on my extensive experience working with CEOs, I have compiled this list of *The Six Most Common Mistakes Made By New CEOs...And How To Avoid Them*. I hope you find this helpful as you begin your new assignment.

Again, please accept my congratulations on becoming a CEO, and best of luck with your new responsibilities.

Please contact me at 203-777-2254 or zam@ceoperformancepartners.com if I can be of any assistance.

Zachary Morowitz
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Mistake #1

Steadying the ship of state.

...and how to avoid it.

Break glass now.

CEO transitions typically occur during times of stress and turmoil for an organization. New CEOs naturally yearn to “steady the ship” and to confirm the wisdom of their appointment by delivering some immediate, positive results.

*“But be not
afraid of
greatness.”*

Shakespeare,
Twelfth Night

When so much is in flux, it may seem reckless to further rock the boat. But the need to quickly put behind you any important but potentially unsettling moves demands that you do so.

New CEOs have a window for bold action at the outset of their tenure that never again returns. As the clock advances, their maneuvering room for serious short-term disruption rapidly shrinks, as does their power to move decisively.

Address the big, contentious issues head-on by breaking glass now.

Mistake #2

Letting daily pressures control your agenda.

...and how to avoid it.

Don't prioritize; attend to what really matters and ignore what doesn't.

“A successful book is not made of what is in it, but what is left out of it.”

Mark Twain

The fundamental struggle for any CEO is to forward the company's agenda in the face of crushing pressures and distractions. The incessant demands for the CEO's attention from investors, board members, the senior team, employees, customers, and the media can overwhelm and sidetrack even the most disciplined CEO.

Satisfying the demands of others and checking off these “to dos” may feel good and seem worthwhile. But ultimately, it is nothing more than a dangerous diversion to driving needed change.

In the words of Peter Drucker, effective executives “know that they have no choice but to do first things first—and second things not at all. The alternative is to get nothing done.”

Effective CEOs don't prioritize; they attend to what really matters and ignore what doesn't.

Mistake #3

Solving today's problems.

...and how to avoid it.

Focus on optimizing tomorrow's opportunities.

“The best way to predict the future is to invent it.”

Alan Kay

Effective CEOs do not concentrate on fixing today's problems. Instead, they focus on inventing a better tomorrow by devoting persistent attention to the few major areas where superior performance will produce exceptional results.

You can unleash the strength and potential of your company and drive exceptional performance only by consistently focusing on opportunities.

Mistake #4

Backtracking in the face of organizational intransigence.

...and how to avoid it.

Engage only on issues to which you can fully commit.

“The whole problem with the world is that fools and fanatics are always so certain of themselves, but wiser people are so full of doubts.”

Bertrand Russell

Your first initiatives for significant change will be essential tests to see if you say what you mean and mean what you say.

You will surely have some moments of doubt when others question the wisdom of your chosen course of action, as they are certain to do.

However, nothing drains power faster from a new CEO than retreating in the face of skepticism and resistance. Consequently, when deciding on your first significant initiatives, engage only on issues to which you can fully commit.

Mistake #5

***Retreating to your
comfort zone when
things get too painful.***

...and how to avoid it.

***Do what is necessary, not
what is comfortable.***

*“Ah, but a man’s
reach should
exceed his grasp,
Or what’s a
heaven for?”*

Robert Browning

When things get tough, CEOs naturally retreat to their comfort zone by practicing the skills that have brought them success and recognition in the past. Were you a super salesman? You may abruptly decide that “carrying a bag” is a cardinal virtue for a CEO. Whiz at finance? Financial machinations may suddenly seem to be the company’s salvation. Recognize and resist these temptations!

When you encounter difficulties, you must step out of your comfort zone and directly confront the reality of how, as CEO, you can use your office to best drive overall company performance. Retreating to the skills that brought you success in the past is rarely the answer. Instead, you must figure out how to do what is necessary, not what is comfortable.

Mistake #6

Misunderstanding the people who gave you the job.

...and how to avoid it.

Understand that nothing matters but performance.

*“The strong do
what they will,
the weak what
they must.”*

Thucydides

Amidst all the good feelings and optimism of having been recruited as CEO, it can be a challenge to fully grasp that all of the people high-fiving you today will turn against you on a dime if the company isn't performing to their satisfaction.

Strong personal relationships may have helped land you the job, but they will not help you keep it.

Your essential responsibility as CEO is the financial stewardship of the company. You should fully expect to be judged solely on this basis.

At the day of reckoning, all of your efforts at spin and “managing expectations” will have cost you dearly in effort expended, but will have gotten you nothing if the company hasn't performed.

Successful CEOs understand that nothing matters but performance.