CEOs Need to overcome the frontiers of their comfort zone and fight the temptation.

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Tough times require the CEO to adjust his/her behavior and provide tough – but flexible – leadership. When times are good, it is apparently easy to make some mistakes based on irrational exuberance. Why? Because it is easy to take chances when times are good; moreover, at such periods, every CEO seems to provide a new recipe for success, which happens despite what the CEO does or the decision he/she makes.

This is the time for CEOs to distinguish between what they do and how they do it. That separates the strategy from the style and managerial philosophy. Decisions that systematically lead to cost containment, flexibility, accountability, and teamwork are strategic and always needed and should be pushed. However, things like uncontrolled empowerment, letting people do what they believe is right, feel-good management leading to forgiveness of poor performance, and hiding mediocre behavior are unacceptable.

So, how do CEOs overcome such diversity in their managerial approach?

CEOs fail as managers and as leaders. The main reason is that they allow themselves to get involved and are trapped by the day-to-day complexities and details of the little things of the business and their job. To overcome the challenge of the comfort trap provided by the daily chores as a proxy to doing things, there is a need to practice and master a series of behaviors that are not easy. The difficulty in mastering these behaviors and attitudes is not in their complexity but rather because they go against our natural tendency to avoid them because of our nurturing of our comfort zone. The temptation of denial is a tremendous trap in our role as CEOs and leaders.

There are five central behaviors that will enhance the CEO's role as chief manager and leader.

Behavior I: Driven by delivering results.

Embrace the desire to produce results. You must overcome your desire to protect your status and career and do the right thing for the company, no matter the apparent impact on you personally. The pursuit of results must be relentless and become manic for results.

Your decisions should be measured by your contribution to institutional business results and not the protection of your ego, reputation, or personal comfort zone.

Concentrating on results will protect them more than anything else can. Achieving results is the only measure of personal and professional success. The company's future to major stakeholders, including employees, clients, and shareholders, is much more relevant and important than the ego trip of a CEO.

Behavior II: Hold people accountable for their commitment.

Hold your direct reports accountable for delivering of what was agreed upon and the commitments that drive results. As CEO, you cannot behave as if you are running a popularity contest. Everyone prefers to be well-liked by peers and colleagues but allowing it to limit the scope of decisions becomes a dangerous ground for CEOs.

CEOS often become friends with their direct reports and share a lot of conversations about other employees and business conditions that affect results. This leads to a sense of shared responsibility driven by camaraderie; this obviously makes it very difficult to tell this person that their performance does not meet expectations. I.e., holding them accountable is difficult because of a sense of betrayal.

To overcome this situation and to hold direct reports accountable, performance reviews must be diligent without worries of upsetting peers. The response is not to wait until the peer needs to be fired because their performance becomes too costly for the company, but rather provide direct, clear, and open feedback on their performance.

CEOs must work towards establishing long-term respect for their direct report rather than for their affection and approval. They are not the support group but key peers who must deliver on their commitments if the company is to generate predictable and reliable results.

Behavior III: Clarity precedes accuracy.

Even when a CEO does resist the pitfalls of protecting his/her own ego and career as a driver for decision-making or the risk of overlooking accountability due to a trivial popularity contest that leads to an apparent “society of mutual admiration,” they still may fail. Why? Because they fail to provide clarity on what their direct reports will be held accountable for. They tend not to clarify those directions because they feel they need to be “correct,” and they want to avoid discussions.

Our current business environment, which does not provide perfect information, limits the willingness of CEOs to be intuitive with their decisions thus they seek precision and correctness with their decision, which leads them to provide vague directions but in such a manner that their colleagues are fearful in questioning it or raising any kind of disagreement. They do so with the implicit hope that their peers will produce the desired results even when the chances of that happening are slim.

Clarity must become more important than accuracy. If there is clarity, accuracy will follow. People learn more from action rather than constant search for information. It is OK to change plans if there is an explanation of the reason and motivation. Taking the risk of being wrong does not paralyze the advancement of your team and the company.

Behavior IV: Tolerate discord and encourage discussions.

CEOs must benefit from the best information available to them to make decisions: their direct reports. These reports must be the best in their fields and the best team around the CEO. The main reason they need to learn directly from their direct reports is that CEOs desire harmony in the team. They would rather have the team members agree and get along than disagree and conflict with each other. Such artificial harmony restricts productive discussions that stem from the differences of opinion and ideology and restrains the opportunity for a passionate interchange of opinions around an important issue.

This kind of conflict is necessary for decisions to be suboptimal at best. The decisions based on the opinion and knowledge (out in the open) of all concerned are better and more accurate than those made based on a single perspective, even when the excuse is experience. Moreover, when all opinions are involved, the confidence in the decision and the willingness to support it is much bigger and more active.

CEOs need to learn to tolerate discord and manage adversity. Encourage the direct reports to develop new approaches and discuss them openly. Passionate meetings are often a sign of openness and progress; tame ones signify submissive behavior and leave important issues untouched. Avoid and do not allow personal attacks. People must learn to discuss the issues and ideas.

Behavior V: Actively encourage people to challenge your ideas.

Many CEOs are driven by the desire to be invulnerable. CEOs are powerful individuals. Being vulnerable with their direct reports and with their peers is uncomfortable because of the sense that they lose credibility and power. Moreover, one way to avoid that is not allowing the challenge of their ideas; the environment of fear is such that even their direct report does not challenge the CEO's opinions.

Under such circumstances, it does not matter how much the CEO encourages open discussions. It will not happen because people do not feel safe, and the CEO sees them as unwilling to become part of the team. Thus, the team members choose the inferred opinion of the CEO and avoid any risk. This becomes a politically driven environment for shared decisions.

Trust your direct reports, team, reputation, and ego. This is the greatest level of trust you can give; hence, they will return in kind, respect, and honesty.

CEOs that focus on:

Results more than status,

Accountability more than popularity,

Clarity more than certainty,

Productive Conflict more than harmony,

Trust more than invulnerability.

Will reduce their chances of failing to only forces like the market, which are out of their immediate control.

Thus, Mr. CEO, instill trust so you can give your executives the confidence to have productive conflict, which builds the confidence to create and seek clarity. The clarity breeds confidence to hold people accountable, leading to expecting results.