
CEOs Should Be Chief Enablement Officers



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Leadership is about energising people rather than issuing orders.

Richard Rushton, CEO of Distell from South Africa, told us with conviction, “The days of the CEO who knows everything, makes every decision, exercises absolute control of the whole organisation are over.” The contemporary CEO cannot pretend he or she knows more than other members of the organisation, has access to data and information they don’t and sees further ahead than anyone else. Today’s knowledge workers have superior technical skills, and technology has made information accessible to all. In management, as in other fields, collaboration has long since replaced individual genius as the principal source of creativity. Trying to apply the old model of determining strategy in the corner office and issuing orders is simply ineffective and inefficient today. From “Commander-in-Chief”, the CEO has become “Chief Enabler of the Organisation”. His or her role is to **enable** other employees to perform.

Enabling leaders believe that their employees do not need parental guidance to make choices, that they are professionals, better than anybody else – including the CEO – at what they do, want to do a good job and continue learning. Such employees don't need to be directed, just helped to perform at their best. Like professional athletes, they do not need their goals and the ways to achieve them to be developed by a more senior person. They simply need assistance in mastering their own practices and achieving goals through the creation of a productive environment and emotional support. In short, business leadership has come to resemble coaching.

Enabling is one of the four crucial roles of the CEO that we identified in a five-year research project, in which we interviewed a carefully assembled selection of truly international CEOs from the G20 nations. This is documented in our book [*CEO School: Insights from 20 Global Leaders*](#) and is detailed in this [series of articles](#).

Based on our interviews, we identified some specific practices, which – in the view of our interviewees and ours – allow CEOs to play their enabling role effectively.

Reducing uncertainty. This core leadership practice becomes even more important at times of increasing complexity, which puts additional pressure on employees and may lead to stress and reduced performance. Our 20 CEOs mentioned some specific techniques:

- Having only a few priorities, described in simple – and preferably quantitative – terms, radiates confidence.
- Distributing leadership throughout the organisation, by increasing the number of leaders at different levels, who in turn take on the role of reducing uncertainty for their followers.
- Streamlining organisational structure and governance by having as few rules as possible. This also means avoiding the creation of new policies, procedures and instructions, unless absolutely necessary. Getting rid of outdated rules, regulations and procedures on a regular basis is also crucial.
- Using simple language in conversations and company documents, mentoring people to simplify rather than complicate things and making people accountable for creating unnecessary complexity were considered important.

- Promoting clarity and transparency at all organisational levels. As Diego Bolzonello, former CEO of Geox, Italy suggests: “I think transparency is very, very important, which is one reason that I work with open doors and receive people continuously.” This can be done by making information and data accessible and understandable to all members of the organisation.

Encouraging collaboration and removing organisational barriers.

Effective collective action is a cornerstone of corporate performance in today’s world. Good CEOs promote horizontal, vertical and diagonal collaboration in their companies by setting expectations, allocating time, establishing platforms and formats for collaborative work, and rewarding collaborative behaviour.

Effective CEOs recognise that collaboration does not come naturally – and that modern organisations are full of objective and subjective barriers to it, such as asymmetrical knowledge, geographical distance, organisational hierarchy and even office design. They spot these barriers and remove them. Most importantly, they set an example of openness and proactivity in fostering collaboration.

Creating productive autonomy for employees. From Peter Drucker, known as “the founder of modern management”, we learnt that knowledge workers need both headroom and elbowroom to be productive. Good CEOs create this autonomy by giving their people freedom to work the way they want and make their own decisions. As Bolzonello told us, “I think it would be absolutely wrong to have a slogan: ‘Work this way!’ We have to encourage people to work in whatever way helps us reach our objective.”

According to our experts, effective CEOs should make as few decisions as possible, giving the opportunity instead to other people in the organisation. “The CEO has to take the *essential* decisions of the company, not substitute himself with his deputies,” explains Jean Sentenac, CEO of Axens, France. A good rule is to look around and ask yourself, “Is there anyone (or any group) in the organisation who could take this decision?” Only if the answer is a clear no, should the CEO go ahead and make the decision.

Supporting but challenging. Enabled employees need to feel the CEO’s support to perform well, but they should not be allowed to relax and become complacent. They need to strive constantly to become more effective, creative and productive. Good CEOs believe in the ability of their people and,

as long as they prove effective, give them complete support. At the same time, they challenge their colleagues by questioning their assumptions, encouraging alternative thinking, negotiating higher targets and provoking unorthodox approaches. They energise their staff with ambitious goals, tough benchmarks and examples of superior performance – along with stories of hubris that led to disaster.

Educating. Enabling leaders make learning available to every employee and turn it into one of the company's values. They build it into every job and create training programmes or corporate universities, rotating people across positions, functions and geographies to broaden their horizons. Under leaders like these, investment in employee development becomes the most protected line of the budget. The CEOs themselves take on the roles of educators, mentors and coaches and get their executives to do the same. "Leaders teaching future leaders" becomes an organisation-wide practice.

Staying in touch with the business and the outside world. Effective CEOs are hands-off but they know what happens in and around the company by making deep dives: visiting back offices and shop floors, speaking with and serving customers, and directly calling on people at different levels of hierarchy. Enabling leaders are in a constant dialogue with the organisation and they listen more than they tell ("at least two thirds versus one third" in the words of Vladimir Rashevsky, CEO of SUEK, Russia) and they ask coaching-style questions to facilitate this dialogue. Good CEOs monitor the "big picture" by constantly reviewing performance indicators, but most importantly proactively speaking with colleagues, consultants, experts, analysts, investors, academics and politicians.

Role modelling. This practice is as old as leadership itself, but several of our co-authors insist it's particularly relevant for enabling leadership. This is because it creates two important outcomes: behaviour benchmarks for the followers; and legitimacy for the leader. "Some CEOs think they are above the fundamental values and principles of the organisation," says Peter Coleman, CEO of Woodside, Australia. "But you must set the benchmark for others. You are a role model and an enforcer."

The enabling CEO tries to keep things simple and fight organisational complexity in all its forms. He or she makes as few decisions as possible, doesn't meddle in office politics or power struggles and challenges staff, by setting high standards and asking tough questions. Such leaders support

their followers with resources, attention and mentoring – energising the whole organisation.

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Shekshnia, Kravchenko and Williams are the co-authors of **CEO School: Insights From 20 Global Business Leaders**.

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In order to understand how the CEOs themselves see their work and which factors make them successful, Stanislav Shekshnia (INSEAD Senior Affiliate Professor of Entrepreneurship and Family Enterprise), Kirill Kravchenko (Deputy Director General in charge of Administrative Affairs, Gazprom Neft) and Elin Williams (Business Writer) interviewed a carefully assembled selection of truly international CEOs from the world's twenty biggest economies.