

Since 2001, the turnover rate of Fortune 2000 CEOs has been over 30%. The issue of grooming your next CEO may not only be important, but urgent...

Let Robert Hargrove, Founder of Masterful Coaching, Help You Groom Your Next CEO

Despite talk of “Imperial CEOs,” the average tenure for chief executives has steadily shrunk over the past decade. This trend, combined with the proven dangers of leadership failure, has made CEO succession issues a high priority for all boards.

Board members and CEOs have a responsibility to not just be good stewards, but also a legal responsibility to not be caught off guard by the succession of rogue CEOs. Up until the CEO firings of the 90s and the CEO scandals of the year 2000 and beyond, succession was strictly an inside deal. Boards today, however, are growing more and more involved. Thus, the incumbent CEO is often expected to drive the succession process, as well as to collaborate with the Board to insure the successful selection of a new CEO and other top leaders.

What is your process for selecting the next CEO? Most companies have an “ice cream truck” candidate—a CEO replacement in case of an emergency. But all too often these people are not truly ready for the job. Bringing in a “heavy hitter” from the outside who can turn the company around can seem like a solution, but these leaders may fail to understand the company’s culture and run amok.

Masterful Coaching Succession Process will give you a powerful assist in making sure your next CEO is not only good, but great! The Masterful Coaching Succession Planning Process for CEOs and other key roles involves selecting a handful of candidates and coaching them over time to ascend to the highest leadership positions in the company. This is done in the context of meeting significant leadership and business challenges. People not only develop the necessary talent and skills in the process of meeting these challenges, but learn to avoid landmines that would otherwise derail them.

Robert Hargrove groomed me to be the CEO of Adidas. He coached me to link my personal aspiration to be CEO with the organizational aspiration to transform the company. The realization of these two goals required that I transform my own personal behavior in several key ways. -Rene Jaeggi, Former Chairman of Adidas



Robert Hargrove, author of many bestselling books on leadership and coaching.

According to Robert Hargrove, “We have found that CEO candidates often have 80% of what it takes to do the job, yet 20% that might derail them.

“What makes the most difference is top-notch coaching — the fastest, most powerful way to develop extraordinary leaders, while at the same time achieve extraordinary results.”

Receive a complimentary copy of Robert Hargrove’s latest book: *Your Coach (In a Book): Mastering the Trickiest Business, Leadership, and Career Challenges You Will Ever Face.*



Contact us at Masterful Coaching 617-739-3300 or Robert.Hargrove @MasterfulCoaching.com.

Masterful Coaching CEO Succession Process — A Five Step Model

Our Executive Coaching Program is successful because: 1) we only engage masterful coaches who consistently get exceptional results and rave reviews from clients, 2) the structure of the one year program is foolproof, and 3) we only work with motivated executives with lots at stake—such as leaders who have the possibility of becoming CEO if they can elevate their leadership style.



We follow a five step model:

- 1** Identify the short- and long-term strategic goals and aspirations of the organization that would result in an extraordinary future.
- 2** Identify the best candidates for key positions—like CEO, COO, EVP—in that context and develop potential successors in a way that best fits people’s strengths.
- 3** Create a development plan consistent with the targeted position—focus on specific leadership, business, and career challenges.
- 4** Execute the plan through monthly coaching sessions and weekly calls. Bring business and people issues together and determine whether there are any gaps or concerns.
- 5** Monitor progress on a quarterly basis with a written review, making adjustments as necessary.

Our one year Executive Coaching process has a proven track record of success:

- ▶ 95% of our clients report a quantum leap in their leadership effectiveness validated by regular and rigorous 360° feedback.
- ▶ 85% of our clients report a 20% to 60% increase in bottom line business results within 12 to 18 months.
- ▶ 80% of our clients report much higher levels of collaboration and teamwork, as well as a dramatic shift in corporate culture.
- ▶ Over 70% of the executives who we coach received 1 to 3 merit-based promotions over the course of 12 to 18 months.

Masterful Coaching took every leader they touched in our company to a whole new level—an extraordinary feat. At the same time, we can directly connect the influence of Masterful Coaching to making or saving \$100-\$200 million dollars.

-Richard Severance
EVP Downstream NA
ConocoPhillips

Features and Benefits of Our Executive Coaching Program

1

We coach people to develop as leaders by assisting them in standing for an extraordinary future. We then support them in taking action in the present to realize that future.



A coach is someone who supports and challenges you like no one else in your life supports and challenges you. We ask questions like:

- *How do you need to alter your thinking, attitudes, or demeanor to be the next CEO? Or a Number-1 guy vs. a Number-2?*
- *If you were CEO, how would you reinvent your organization's strategy, structure, and culture to create an extraordinary future?*
- *If you were CEO today, how would you approach your current job differently?*
- *How would you interact differently with your team at your next meeting?*

2

Leaders develop in the process of producing extraordinary results, not in abstract training programs.

Our coaching program starts with the formulation of specific career, leadership, and business challenges that represent a quantum leap for the individual and the organization. For example:



My greatest leadership challenge is...

*To become a leader, not a deal maker;
To put on the corporate hat vs. functional one;
To delegate vs. control.*

My greatest business challenge is...

To profitably double the business in five years.

My greatest career challenge is...

To master the political chessboard and become CEO; To systematically abandon derailing behaviors.

Then we are there to give people power and velocity in reaching these goals. This involves not only creating ambitious goals, but also a roadmap for realizing them.

3

We provide 360° feedback (based on in depth interviews) which becomes the basis of a leadership roadmap.

In the first month or so of our Executive Coaching Program we gather 360° feedback based on in-depth 50-minute interviews with bosses, peers, and direct reports.

We then deliver the feedback verbatim, person by person, so as to promote conversations between our client and his or her community. Our motto is: "If three people call you a horse, saddle up."

The impact of this way of providing feedback is 100% to 1000% more powerful than the standard approach based on computerized tick sheets. The feedback has the effect of "ripping the blinders off."

We use the 360° feedback to create a leadership roadmap.

We start by distinguishing the key elements of success. For example, *In order to reach my goal of becoming CEO, I need to work on these five things:*

- *Developing CEO charisma (demeanor) and wearing the corporate hat.*
- *Presenting a strong case for our company to Wall Street*
- *Dealing with the board (leading the board vs. merely complying).*
- *Balancing long term visionary goals with short term earnings, making decisions amidst complexity, and mobilizing people to act on them.*
- *Transforming corporate culture and developing the next generation of leaders.*

We then look at the opportunities to learn and take powerful action on these goals in the next 30 days. (This is updated monthly).



Robert Hargrove of Masterful Coaching will show you how to earn a CEO position at the top of your organization by delivering on profitable growth, mastering the political chessboard, and not stepping on any landmines.

-Tom Kaiser, President, Arch Insurance

Robert Hargrove is great to work with. You will feel like you are speaking to a brilliant thinking partner, trusted advisor, and best friend.

- John Young, Asst. Secretary of the Navy, RDA

4 Create a Source Document—a blue print for the future.

Our executive coaching process often involves working with an executive to create a Source Document for their organization. A Source Document can be focused on the entire corporation or the leader's specific organization.

It provides in one place the company's vision and values, transformational goals and initiatives, guiding principles and methodologies, all which represent a blueprint for an extraordinary future.

We have found that the act of creating, communicating, and implementing a Source Document is a powerful tool for transforming an ordinary manager into an extraordinary leader.

In the short term, the *key elements of a Source Document* are evolutionary and an extension of existing strategies. In the long term, they are transformational as they serve as a catalyst for change in the company and the marketplace.

The creation of Source Document actually starts with a “reality check.”

The leader and his or her group get together and look at key facts, accomplishments to date, what's working, what's not working, and what's missing that would produce a breakthrough.

The group then formulates its vision and governing values and other key elements for success in the form of a written artifact. This is then communicated to everyone in the organization, giving each person a place to stand and a way to create line of sight to their own individual goals.

In the same way that the 360° feedback becomes a leadership roadmap, the Source Document becomes a business roadmap.



5 Execute by forwarding action around leadership and business challenges.

In our monthly coaching meetings, we work with people to make sure that they are communicating the Source Document to their organization so that it exists independent of them, as well as to make sure people are executing it.

People create a structure for fulfillment of both their leadership and business challenges and are coached to forward action with respect to these by distinguishing high-leverage actions to take within the next 30 days.

These monthly coaching meetings and weekly phone calls are an opportunity to again look at bringing business and people issues together and determining whether there are any gaps, issues, or concerns. The coach acts as a thinking partner in assessing: 1) *accomplishments*, 2) *issues and dilemmas*, and 3) *next steps*.

Follow Up and Progress Reporting

Research shows that 360° feedback is 50% more effective when it is repeated within the first 18 months.

We do sample 360° feedback after every quarter of the program so that the client always knows how he or she is doing and can make adjustments.

We provide critical path strategies for people to shift their behavior in specific situations—for example, board meetings, team meetings, and performance reviews.

We also report on bottom-line business results that are achieved due to participation in the program. In most cases, results achieved offset the cost of the program tens or even hundreds of times over.

By special arrangement, the coach, with the agreement of the coachee, may provide a verbal or written report to the existing chief executive or to board members.



Time Line of the Program

Month 1. Introduction to coaching. Create an extraordinary coaching relationship and get coaching sessions on the schedule. Initial formulation of leadership, business, and career challenges, including style and skills.

Months 2-3. Conduct 360° feedback interviews. The CEO, board members, and others are asked, “How does this leader need to develop in order to take the next step up the ladder?” Prepare report of findings and deliver the feedback, making expectations clear. Create Leadership Roadmap.

Months 3-6. Create Source Document. Communicate Source Document to the organization and jumpstart implementation. Continually review asking, “Who do you need to be as a leader to deliver on the Source Document?”

Months 6-9. Execute so as to build rapid momentum. This involves mastering the political chessboard and winning the support required to launch key projects or major change initiatives, if appropriate. People forward action on leadership and business challenges based on rolling 30-day action plans.

Months 9-12. Breakthrough and sustainability. In these months people build momentum toward goals and keep asking the question: What’s missing that will produce a breakthrough in our leadership and business goals? The coachee looks at how to continue to grow as a leader and not backslide without outside coaching.

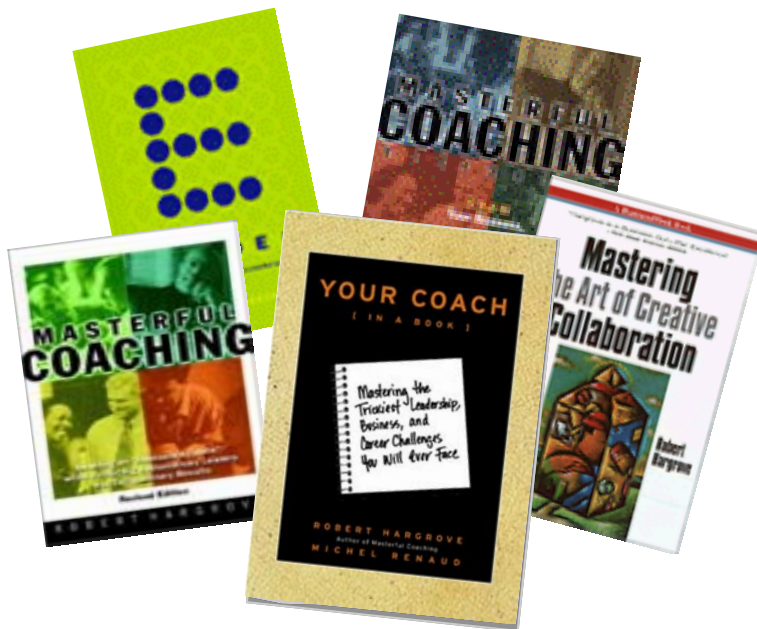
Robert Hargrove: World Leader in Executive Coaching

When a major corporation becomes interested in executive coaching, chances are Robert Hargrove is the expert they call. Hargrove is not just the leader in his field, he has also pioneered *Masterful Coaching—the Method*. This popular coaching method is based on integrating performance and development, not merely a psychological or mechanistic approach used by many other coaching methods.

As founder and CEO of Masterful Coaching Inc., Robert Hargrove has brought together a world-wide coaching network of world-class coaches, serving and meeting the needs of major corporate, government and non-profit clients in the United States and abroad.

Hargrove is the author of many books in the field including the bestselling *Masterful Coaching*, *Mastering the Art of Creative Collaboration*, *E-Leader*, and his newest book, *Your Coach (In a Book): Mastering the Trickiest Leadership, Business, and Career Challenges You Will Ever Face*.

Hargrove has personally coached CEOs and executives in the top management group in companies like AIG, Adidas, Fidelity Investments, Zurich Financial Services, Estee Lauder International, Royal Insurance, ConocoPhillips, Royal Dutch Shell, Sun Microsystems, Philips Electronics, and Andersen Consulting. He has been the primary business guru or designer of many top executive leadership development programs, culture change efforts, and breakthrough projects.



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