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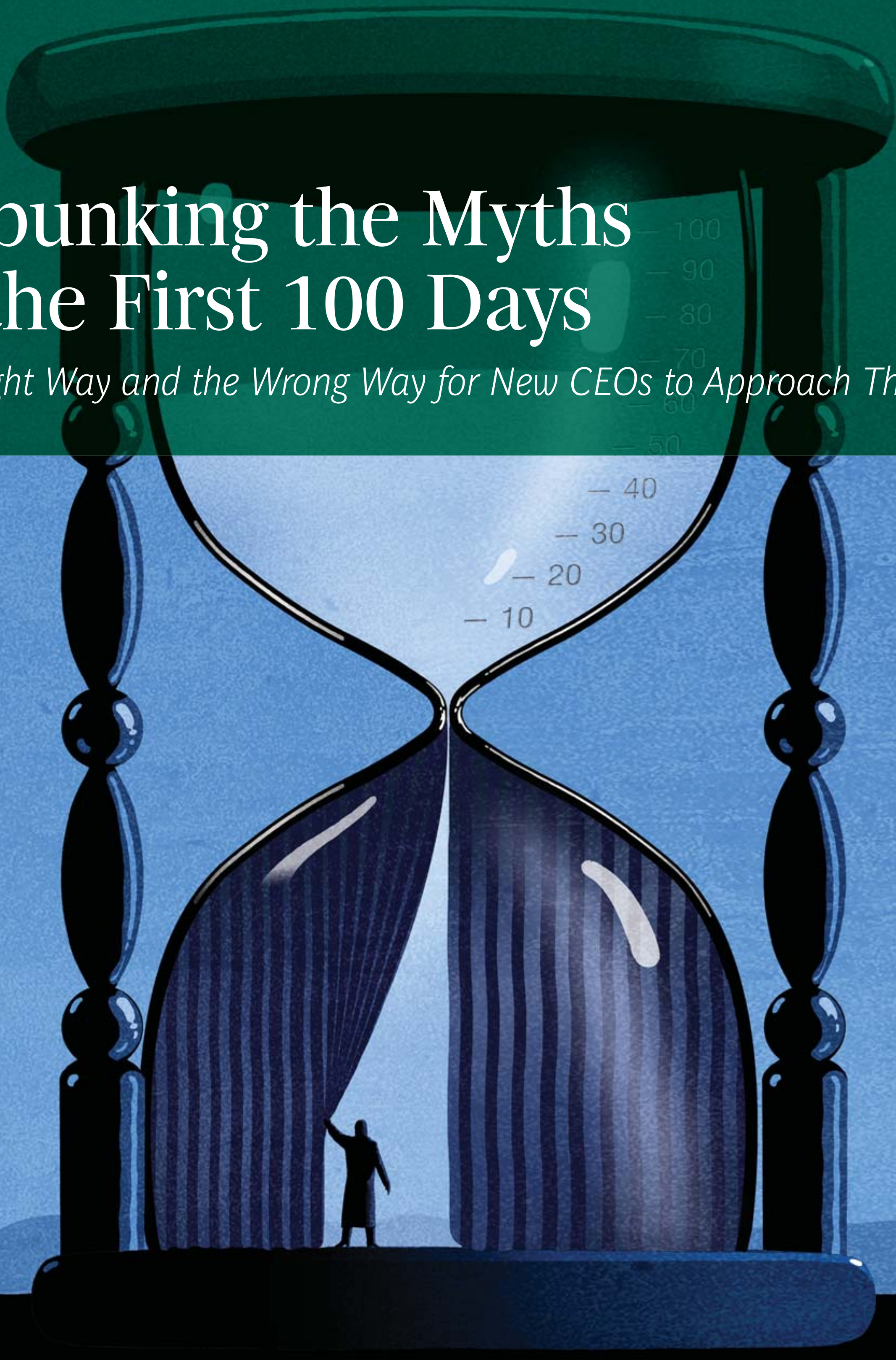
Debunking the Myths of the First 100 Days

The Right Way and the Wrong Way for New CEOs to Approach Their Role



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Roselinde Torres and Peter Tollman

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AT A GLANCE

Large companies acquire a new leader every six or seven years, on average. As the new CEOs settle in, they can apply conventional wisdom to make their mark. Many of the traditional guidelines are seriously misleading, however.

One Hundred Days to Make an Impression

During the 100-day grace period after taking office, new CEOs will study the company's structure and contextual dynamics, and develop a plan of action that could set the tone for their entire tenure. They had better get it right.

Myths Versus Realities as the Basis for a 100-Day Plan

We have identified five pairs of opposed principles that underlie and differentiate good and bad 100-day plans. The five misguided principles, or "myths," will tend to lead newcomer CEOs astray—by encouraging rash interventions, for instance, or overattention to detail. The five counterpart "realities" will enable new CEOs to boost organizational performance—by emphasizing teamwork, for instance, and by fine-tuning their dealings with the various stakeholders. In that way, they can make a long-lasting imprint, rather than just an early impact.

IT'S TOUGH AT THE TOP, and getting tougher. CEOs today have to operate in an unprecedentedly intricate and intense business environment, and newly installed CEOs are particularly hard-pressed. At any one time, 14 to 15 percent of CEOs are in their first year of office, and they face a challenging initiation.[1]

A New-Look 100-Day Plan for a New CEO

Confronted not just by the novelties but also by the ambiguities of the role they are stepping into, newly installed CEOs will respond in diverse ways. Some will view their debut as a balancing act. Others, undaunted, will view it as an impetus for bold, disruptive moves.

By tradition, they will enjoy a 100-day honeymoon after taking office—a time of being feted (often by an initial fanfare of optimistic press coverage) and indulged, perhaps, but also of being tested. During this grace period, they are expected both to orient themselves and to make a favorable impression and instill confidence among internal and external stakeholders. They will use the time to identify the challenges, determine their key objectives, and draft a timetable. Ideally, they will also take the opportunity to convey their values and define their leadership style so that staff and stakeholders know what to expect. To facilitate all of this, they will need to devise—preferably before the starting date—an appropriate 100-day plan.

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A particular danger for new CEOs is basing their 100-day plan on a set of general "best practices" without taking sufficient account of the "contextual fact base"—the specifics of the new job, the culture of the company, today's complex and dynamic business environment, and their own leadership style. In our work with numerous new CEOs over the years, we've encountered several plans of this kind and identified five common misconceptions that underlie them. These misconceptions—we call them the "five myths of the first 100 days"—might have an appealing ring to them, but they risk destabilizing any CEO launch.

The Myths and the Realities

If new CEOs could keep these myths in mind and resist them, then the leadership transition would cope more easily with all the additional complexities. (See the sidebar "The Complex Life of a Modern CEO.") The following inventory of wrong and right approaches is distilled from our varied client work across industries and incorporates many case studies. For obvious reasons, the details of these cases have been changed and sometimes hybridized.

THE COMPLEX LIFE OF A MODERN CEO

When a new CEO takes office, the switch of leadership generates both risks and opportunities. On the one hand, it can reinvigorate the company—or at least keep the company up-to-date and eager. On the other hand, it can be disruptive in the wrong way, causing confusion, a loss of business momentum, and even organizational paralysis. Consider three factors.

First of all, it's much more complicated being a CEO nowadays than it was in the past. In today's turbulent, globalized, and high-tech business world, large organizations have acquired complexities unimaginable to earlier generations. (See "Smart Rules: Six Ways to Get People to Solve Problems Without You," BCG article, October 2011.) And the complexity of the CEO's role has soared in proportion. The number of performance requirements for CEOs is about six times more than in 1955, the year when the *Fortune* 500 was created. Back then, CEOs were measured against 4 to 7 KPIs; now they are typically measured against 25 to 40. (See the exhibit "Brave New World of Corporate Complexity.")

Then, to complicate their lives further, current CEOs have to deal with falling engagement levels among employees. Key engagement indicators dropped by as much as 14 percent during the recent financial crisis, particularly among middle and senior managers. (See *Creating a New Deal for Middle Managers: Empowering a Neglected but Critical Group,* BCG White Paper, July 2010.) Among U.S. employees generally, job satisfaction plummeted from about 60 percent in 1990 to less than 43 percent in 2010.[1] A CEO today will often be in charge of a far more skeptical and dispirited workforce, and will struggle to secure its backing for new initiatives.

Finally, CEOs are under much closer scrutiny from a broad set of stakeholders, both internal and external: activist shareholders, board members, employees, regulators, lobbyists, nongovernmental organizations, consumers, and the media. (See "New Leadership Rules: Requirements for the Future," BCG article, May 2010.) With so much information transparency in the digital age, all of these stakeholder groups are now able and eager to inspect and critique almost anything that a CEO is doing and saying. To a greater or lesser extent, they all shape perceptions of a company, affect its reputation, and influence its fortunes—and all too often they have conflicting expectations and agendas. Some CEOs are energized by this type of volatile atmosphere and welcome the challenge of working with varied

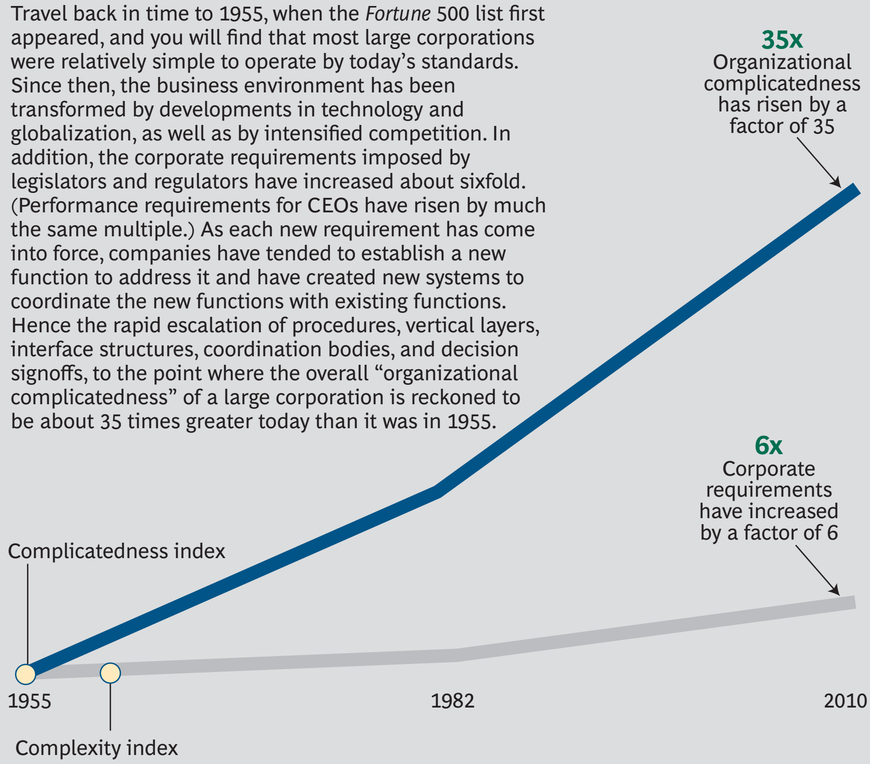
Myth 1: New CEOs should direct their attention outward, and study the old way of doing things, in preparation for deciding what to keep and what to modify

Many incoming leaders put all their initial energies into studying the company intensely and trying to identify what works and what doesn't. It is from this appraisal that they will determine corrective measures and put their own stamp on the organization. "Above all, understand the externals"—that seems to be the stakeholders. For others it's a matter of dutiful acquiescence rather than enthusiasm, and they regard the edgy environment as an unavoidable reality that must be endured and deftly navigated. Either way, they often have to put enormous effort into the constant balancing of forces that they are obliged to perform.

NOTE
1. Things seem to be improving. The figure for 2011 was back above 47 percent. For all the figures, see Rebecca Ray and Thomas Rizzacasa, *Job Satisfaction: 2012 Edition,* The Conference Board, 2012. A brief summary can be found at http://www.conference-board.org/press/pressdetail.cfm?pressid=4527.

Brave New World of Corporate Complexity

Travel back in time to 1955, when the *Fortune* 500 list first appeared, and you will find that most large corporations were relatively simple to operate by today's standards. Since then, the business environment has been transformed by developments in technology and globalization, as well as by intensified competition. In addition, the corporate requirements imposed by legislators and regulators have increased about sixfold. (Performance requirements for CEOs have risen by much the same multiple.) As each new requirement has come into force, companies have tended to establish a new function to address it and have created new systems to coordinate the new functions with existing functions. Hence the rapid escalation of procedures, vertical layers, interface structures, coordination bodies, and decision signoffs, to the point where the overall "organizational complicatedness" of a large corporation is reckoned to be about 35 times greater today than it was in 1955.



Source: BCG analysis.

watchword. Their leadership approach can tend more toward the reactive than the active: they take their lead from the status quo (often in order to oppose it) rather than from their own strengths. Keen to make their mark, they might be tempted to alter the company's previous direction more sharply than is justified.

A case in point: A newly installed CEO at an ailing industrial-goods company spent most of his settling-in time investigating and disparaging the work of his predecessor. Whatever the former CEO had done, the new CEO did the opposite. The old CEO had brought together processes in order to benefit from scale; the new CEO duly decentralized the organization and let the individual business units run everything their own way. The old CEO had established a structured engagement program; the new CEO threw it out "to avoid cramping the style of the staff." The old CEO was methodical and disciplined in conducting business plans and reviews; the new CEO aimed to agree briskly on business goals and trusted his subordinates to come to him if they feared missing their targets. The old CEO liked to have formal monthly staff leadership-team meetings; the new CEO preferred engaging with his lieutenants informally.

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Soon the perception arose that the new CEO was overturning established practices just for the sake of doing so, rather than on the basis of properly motivated policies. Employees referred to his style as "I'm-not-the-other-guy leadership." A year into his role, the CEO has still not clarified what *he* wants to do, and his management team is struggling to operate in the absence of well-defined principles and parameters. The company lacks a clear and unifying direction, and appears to be drifting. So the business unit leaders, while purportedly grateful for their new freedom, are unable to channel it productively. Unless the company's performance improves this year, the board will doubtless begin to act on its concerns and intervene more directly. And if the intervention fails to make up the lost ground, the company will soon be welcoming yet another new CEO.

Reality: When new CEOs develop their plans, one of the first steps is to ascertain and affirm their own preferences and motivations—"Look inward as well as outward." Contrary to the myth, the newcomers who acclimatize most effectively are those who begin as much with introspection as with outward inspection. They step back at times to reflect on how they want to lead, what they want to accomplish, and what kind of imprint they intend to stamp on the company. They define their aspirations. They establish their own point of view clearly, both to themselves and to their colleagues, and bring it to bear when engaging with the substantive issues and implementing reforms. That way, substance and style fit together authentically and harmoniously.

A case in point: The incoming CEO of a utilities corporation, while maintaining the broad strategy of his predecessor, opted to introduce several minor modifications. But the one really big change was in the *style* of leadership and in the leadership structure. In part, this change was prompted by the CEO's belief that it would revive the flagging engagement of the management ranks, but it was also prompted by an honest self-assessment. As the CEO told us, he was simply not a charismatic "town hall style" orator, as his predecessor had been, and he felt much more comfortable in small groups. In that spirit, he adopted a more distributed leadership model for the company. He set up a council of second- and third-layer leaders, numbering close to 200 in all, who met regularly and cascaded communications in a more personalized way throughout the organization. Sure enough, these senior and middle managers quickly showed signs of being more strongly engaged, more invested in the company's strategy, and more meaningfully part of the company's leadership. This process was replicated down the ranks of the organization, enhancing alignment with the company's strategic thinking, boosting business results, and improving employee engagement generally. By recognizing his strengths and limitations early on, the CEO had homed in on a strategy of engagement that suited both him and the company, and was implemented with great success.

In another case, the new CEO of a European electronic-equipment company reviewed his long-standing assumptions about the corporate chain of command. Prior to his new post, he had been head of a business unit for 30 years within the company and had always traveled to corporate headquarters for formal business meetings. It was a habit that he had never questioned, even though, as he now realized, it had always gone against the grain. He was far more comfortable with a less hierarchical and more collaborative style, and calculated that it would also improve efficiency in the company. Instead of summoning business unit leaders to his office, he would arrange to visit them at their offices, typically accompanied by the CFO and the head of HR. The meetings, which he referred to as "business dialogues," involved no formal reports or presentations, just discussions with the business heads, employees, and customers. With less filtering of information at the top, the effect has been a surge in morale and engagement on the part of the business unit leaders and a measurable increase in productivity as well.

Myth 2: New CEOs prove their mettle by performing bold actions right away

Some new CEOs feel duty bound to make an impact as quickly as possible—to announce their presence in style by notching up some conspicuous "quick wins." Activity is what counts for them, and they like to hit the ground running. And sometimes they do so without paying proper attention to the corporate context and cultural considerations.

Witness the North American career executive who took over as CEO of a foreign-owned technology company. Within a few weeks, he announced a turbocharged plan to refocus, reorganize, and reinvigorate the business. It was in fact a very fine plan for turning the company around. (The company's flaws included an aging product portfolio, unproductive R&D, and a poor cost position; in addition, a recent major acquisition had been badly managed and remained unintegrated.) But the CEO neglected the human factor. He underestimated the extent to which the board's values might differ from shareholder values, or the workforce's tolerance for change might contradict his previous experience. Although he had discussed cultural issues fairly widely, he did not really take them seriously—or seriously enough. He moved directly to implement his transformation plan, which included an innovation strategy, the closing of two major sites, and a reorganization entailing substantial downsizing of the company's operations. He may have hoped that the board and executive management would view it all as a grand gesture; instead, they viewed it as heavy-handed and insensitive. Almost inevitably, a backlash followed. In the end, the CEO did succeed in implementing most components of the plan, but only after a 21-month delay and a loss of credibility that took considerable time to rebuild.

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Reality: Astute new CEOs ensure that they understand the context fully before they act—"Act boldly, but first see clearly." Contrary to the myth, the incoming CEOs who make the strongest early impact are typically those who know what makes the company tick and thoughtfully evaluate the various possible interventions. This is not to discourage prompt and bold action, just to counsel caution and deliberation in order to avoid unintended consequences. Quick wins certainly are desirable, but only if they smooth the path for further wins. All too often, quick wins produce quick setbacks and hamper rather than facilitate the unfolding of a systematic program of initiatives. Farsighted CEOs remain sensitive to the company's longer-term needs and unique organizational context, and to the possible second- and third-order effects on all stakeholders.

Mindful of these dangers, the CEO-elect of an established media company devoted all his spare time, in the eight months prior to his accession, to engaging with key leaders throughout the organization, and with external stakeholders as well. He learned what their ambitions and interests were and came to understand their perspectives on the business; he established a personal bond with many of them and developed influence networks. By analyzing their views, he identified areas of innovation and growth for the company. Even after formally taking office, he unhurriedly completed his review. "I was bursting with ideas," he admitted, "but I put them on hold, just in case they clashed with the bigger picture."

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The new CEO carefully assembled a team that he believed was in tune with his vision and capable of bringing it to fruition. With a few exceptions, the team members have duly internalized the vision and are collectively championing it with the CEO, sometimes in the face of opposition from various stakeholders. (The few exceptions, who chose to "interpret" the CEO's vision in their own way and have been taking discordant initiatives, are gradually being reassigned.) The CEO's patience and precision have paid off, instilling confidence and boosting morale, and quickly converting into impressive growth. "In the end," he explained, "I did implement most of the ideas I'd started out with. But if I hadn't waited, some of them would have gone off halfcocked, and with the wrong people involved. And the ideas that I *didn't* implement—two in particular—if I'd gone ahead with those, they would have incited passive resistance and slowed everything down."

Myth 3: New CEOs should establish a team by seeking out the top talent

For some new CEOs, team selection is a straightforward matter of identifying and recruiting the ablest function and line leaders. In keeping with conventional wisdom, they just want a team of the best and the brightest. So they set out to find the individuals most qualified for the roles of CFO, commercial operations head, and line manager, and assign them to those positions.

On that basis, the new CEO of a retail-products company appointed a cabinet of outstanding executives, several having been lured from rival companies. As he later admitted to us, his team of brilliant aides soon showed its true colors: it is not a team at all but an assemblage of superbly able individuals with little in common other than a sense of their own superb abilities. Members of the team have divergent or even conflicting interests, and in some cases their interests actually conflict with the company's mission. Several of the function leaders seem more intent on grandstanding or empire-building than on cross-functional cooperation in support of the company's strategy. Silos rather than synergies are being created, and resources are being allocated to benefit the individual function or business unit rather than the whole organization. "It's good to be independent-minded, but not if that means uncompromising," the CEO lamented. Unable to reverse the appointments, he now finds his own role to be that of compromise seeker and peacekeeper as much as leader.

Reality: A team is more than the sum of its parts; it needs balance and mutual reinforcement—"Build a team of team players." Contrary to the myth, outstanding *individual caliber* is not a sufficient qualification for entry to a CEO's inner circle of executives. A necessary additional qualification is *suitability:* the more well suited the executives are to their particular portfolios, to the company's objectives, and to the team as a whole, the more supportive and constructive they will prove to be. The optimal team is one in which the members complement one another's skills and encourage or even inspire one another. In that way, they bring out the best in their colleagues and enable them to flourish. (See the sidebar "Criteria for Selecting an Executive Team.")

One business executive who had obviously learned the lesson well was the new CEO of a large European transportation company. In line with her expansion program, she created several new portfolios and merged or eliminated some of the previous ones. She then set about choosing her team by seeking the right *combination* of leadership experiences, competencies, personality styles, and regional representation. There were several surprise omissions from the team: she did her best to placate the disappointed individuals, explaining privately to each of them that the successful candidates had just the right skill sets to match the available posts.

"I'm trying to encourage my team to consult each other more and to rely less on me to arbitrate, and to concentrate on *enabling* rather than *achieving*."

The team itself consisted of various groupings, and the initial configurations revealed a few rough edges, as the CEO knew they would; she managed to smooth some of them by mediation, and where that failed, she has reassigned roles. "I'm trying to encourage my team to consult each other more and to rely less on me to arbitrate," she told us, "and to concentrate on *enabling* rather than *achieving.*" Accordingly, performance reviews give weight to cooperative initiatives as well as to solo performance. And to maintain mutual trust and strengthen the spirit of common purpose, the CEO conducts periodic team-effectiveness retreats and encourages social-bonding events. (This approach to team effectiveness—based on enhancing personal relationships rather than workplace competence, discipline, and coordination—is common in Asian companies and seems to be catching on in Western companies as well.)

Myth 4: New CEOs should immediately set tough standards for everyone at the company

If employee morale or commitment declined under the previous CEO or CEOs, the new CEO might expect to encounter an unacceptable level of complacency among the workforce. So some new leaders make a point, early on, of projecting a tough image. Before getting a proper feel for the corporate culture, they make their expectations known, setting the bar very high. They promptly establish performance metrics for employees at all levels and draw up a strict timetable of reviews. "An uncompromising, take-charge approach" could almost be their motto.

CRITERIA FOR SELECTING AN EXECUTIVE TEAM

Of the various make-or-break actions that new CEOs have to take in their first 100 days, perhaps the most important is the selection of an executive team. Beyond technical qualifications, candidates for selection should be assessed on two criteria: *contextual suitability* and *interpersonal suitability.* Consider each of these in turn.

Contextual Suitability. Almost invariably, a new CEO makes adjustments to the company's top leadership team. He or she could decide to leave the job titles unchanged but to modify the *roles* subtly, so the individual executive who previously held a particular post might no longer be best suited to it. Perhaps a different executive would make a better leader for the task at hand or be a stronger member of the revised team now being created. Or the new CEO might go further and actually make structural changes to the leadership team, creating new portfolios to meet the requirements of a new strategy or business model. When that happens, the previous executives now have even less entitlement to any particular post. What entitles a candidate to a new post is, first of all, possession of the appropriate capabilities for that particular post; in other words, his or her skill set meets the specifications. New CEOs are duty bound to find the best people for the vacant roles, not to find roles for people. If they force-fit someone into a post, that could spell trouble later on. For instance, a transformation agenda is doomed to falter if the chosen executives—no matter how "deserving" or capable they are in general terms—lack the right specialized capabilities to accomplish it, or if they lack the kind of relationships with the stakeholder ecosystem that boost the chances of top-tier performance.

It's crucial, then, for the chosen executives to have the right skills to match the portfolio requirements, geographic footprint, and new business models. But they need even more than that: they should also have the right *vision* of their portfolio, in order to match the company's objectives. If their vision is out of alignment with the corporate mission and strategy, they are in the wrong job.

Interpersonal Suitability. The new team needs not only the appropriately skilled people but also the appropriate *combination* of people. It's partly a matter of the right "chemistry" among the various executives, to prevent personality clashes and undermining behaviors. (See *Winning Practices of Adaptive Leadership Teams,* BCG Focus, April 2012.) But it goes deeper than that: it's a matter of "complementarity" and mutual

Take the case of the new CEO of an entertainment company in the Asia-Pacific region. Eager to secure a first-mover advantage, he formulated an ambitious growth strategy and rallied everyone to the cause. He drew up detailed targets for several tiers of managers, complete with checklists; he demanded frequent progress reports, to be based on supposedly relevant metrics. Some of his subordinates complained that the targets were unrealistic and that the constant scrutiny and internal reporting were getting more prominence than the delivery of value.

reinforcement as well. The best colleagues are often those who have different strengths and emphases from your own. Diversity within a team, provided it isn't of a hostile kind, can generate productive debate and hard-fought consensual decisions, and so can actually facilitate alignment when it comes to execution.

Diversity can also inspire the team members to excel. They compete more intensely—not against one another but for a common cause. This is the kind of competitiveness that the best CEOs elicit from their executive team—a cooperative, intellectual competitiveness rather than the individualistic, personalized competitiveness associated with prima donnas. The realm of sports has something to teach the business world here. In his book *Moneyball,* for instance, the business writer Michael Lewis shows how winning baseball teams can be assembled from players who are not all topflight individual achievers but who complement one another's strong points and enrich team dynamics.

Today's business environment—characterized by complex supply chains, globalization, outsourcing, and hypercompetition—is so interrelated that cooperation is more critical than ever. Cooperation of this kind is not something that can be generated by performance targets or measured by standard metrics. And it consists of more than give-and-take and cordiality. It involves thinking about our colleagues' needs and the interests of the organization overall, and adjusting our own decisions and actions accordingly. In a proper complementary team, the team members stand or fall together: ultimately, we are *all* accountable for the failure of *any* element, so we have to guard one another's backs. As a node in the matrix, we would initially try to identify all risks attached to a colleague's potential decision; but once the decision has been taken, we switch our focus to mitigating those risks, in order to vindicate the decision. So we maximize the chances of success for our teammates, not just for ourselves.

In other words, cooperation is the rational response, and our cooperative decisions and actions will in fact turn out to be individually winning behaviors. By committing to the overall interests of the organization and team, we are advancing our own interests. New CEOs should know the huge value of such a cooperative team and actively strive to bring it into being. Apart from taking great pains to choose the most apt candidates in the first place, astute CEOs regularly monitor the complementarity within their teams and refine it by means of various established techniques.

"We are constantly recategorizing data," they confessed to us, "to make performance against new targets look good. And the time frame between interim reports is way too short to measure any substantive change in the marketplace. Are we measuring our activities or our outcomes?" In due course, the board and various investor groups started worrying that the CEO had taken his eye off the core business. The targets he had set for the workforce had little connection with shareholder expectations or with the board's understanding of company strategy.

Reality: New CEOs are going to be evaluated themselves; only when the criteria for that evaluation become clear can the CEOs really decide how best to evaluate others—"Judge as you will be judged." Contrary to the myth, incoming CEOs should pause before defining standards and setting evaluation criteria for others, and should first establish how they themselves will be evaluated—whether on financial performance alone, for example, or on an integrated scorecard of multiple factors. Before taking office, CEOs-elect should have an open conversation about expectations and indicators of success for themselves. Then they can take those criteria into account when deciding the metrics for everyone else.

In that spirit, the newly appointed CEO of a global manufacturing company interviewed various stakeholder representatives to find out what outcomes they were hoping for from her stewardship and what indicators they would consider appropriate for assessing progress. She established that they and the board all discouraged a single-minded productivity agenda. What they favored instead was a holistic set of initiatives to develop a high-quality integrated supply chain as a critical platform for growth. Her own objectives were more conventionally dynamic, and she remained committed to them. But she did temper her success indicators somewhat. She moderated the expectations that she had proposed setting for her leadership team, and explained that performance reviews would give credit to experimentation and creative ideas. The executive team, heartened by this freedom, then attempted several untested procedures, and the company emerged with a world-class supply chain in a remarkably short time.

Myth 5: A new CEO should be the smartest person in the room

Some new CEOs think they must justify their authority by really knowing best. They try to master every aspect of a problem in order to give the definitive answer. Cold expertise is the best basis for making decisions, they believe, and they strive to acquire it.

If it ever was possible to be a business polymath, it certainly is impossible now, given the bewildering complexity of today's business world.

A top-performing executive at a health care corporation was promoted to CEO over the heads of older and longer-serving colleagues. Two of those colleagues in particular posed a threat of subversion, and he feared that they might jeopardize the ambitious transformation project he was initiating across the company. Their backgrounds were in R&D and finance—areas that he himself had little experience in. "How can I approve a decision if I don't understand what's really at issue?" he said. "I need to know the effects it will have—even the second- and third-order effects." The CEO is a very smart man, but he was not smart enough to concede that no one can be smart at everything. Deaf to warnings, he responded to the perceived threat by taking a crash course in the two subjects, thinking to face his adversaries down. Whenever they made constructive suggestions, he knew better. But he didn't. As one of the function leaders put it, "He imagines himself to know more than he does about any topic or major decision."

Reality: Specialized knowledge is useful, but general savvy and good listening skills are essential—"Be wise by being attentive, not just smart." If it ever was possible to be a business polymath, it certainly is impossible now, given the bewildering complexity of today's business world. In any case, it would not guarantee great leadership. Of course, CEOs usually require some domain expertise in their industry and portfolio duties, but their main role is to have an "enterprise perspective" and see the big picture. They don't need to know all the details of every corner of the picture. When CEOs have to make a decision in an area outside their expertise, one particularly unpromising approach is to attempt to acquire that expertise. Instead, they should tap the expertise that already exists in the organization. If the CEO has done his or her job properly beforehand—establishing a clear strategy, setting the tone, and fostering a cooperative team environment—chances are that the experts will provide the optimal solution. At the very least, they will clarify the options and implications, and lay out alternative perspectives, even if the CEO's eventual decision diverges from theirs. If the CEO tries to outsmart the resident expert, or brushes aside the views of those closest to the specifics of the situation, the upshot is a loss of trust and morale, and time wasted undoing the CEO's misguided actions. The qualities that best enable CEOs to refine their decision making are humility and openness to advice.

Perhaps the most dangerous myth of all is that there must be *some* recipe that will guarantee success for a CEO during the first 100 days. Forget it.

A final success story from our client files. The new CEO of a Latin American financial-services business, hired from outside the organization, made a modest study of the various technical areas—not enough to claim expert knowledge of them, but enough to ask the right questions. He then conducted one-to-one conversations with each function head, discussing current and potential problems and inviting ideas for the company's future direction. He acknowledged and deferred to their superior expertise, but he knew enough to challenge any complacency and easy assumptions. On two occasions, he remained unconvinced and consulted a third party—in one case from within the organization, in the other from outside. By fine-tuning in this way, he slowly reset the organization's paradigm of what was considered possible, and intensified rather than diluted the commitment of his senior colleagues.

Consistent Tactics for Varied Challenges

Perhaps the most dangerous myth of all is that there must be *some* recipe—still undiscovered, perhaps—that will guarantee success for a CEO during the first 100 days. Forget it. There can be no fail-safe formula, because there is no such thing as a *typical* context. Companies vary vastly in their starting positions. A company could be in excellent shape or in need of a rapid turnaround. Companies vary in their cultural norms and in the levels of engagement and talent within their workforces. The new CEOs themselves vary: some are company veterans, some come from outside companies in the same industry, and some come from other industries. And they enjoy different degrees of autonomy from the board. Their transition to leadership needs to be tailored to the situation—uniquely each time.

That said, there are still some constants that all new CEOs are subject to. They need to maximize their preparation for the job, using the interim time to research, consult, and introspect. (That's not always possible, of course, especially when the new CEO has been brought in at short notice from outside. In such situations, the CEO has to pursue, on the fly, an iterative process of learning, testing, and refining.) New CEOs need to steel themselves for intense and often hostile scrutiny from stakeholders, for pressure from various agendas, and for conflicting demands. And they need to remain flexible, to listen to the ideas of others, to tell the difference between self-interested counselors and those aligned with the CEOs' own goals, and to be prepared to act on the advice of the latter.

It's worth repeating the five simplified guidelines recommended as counterweights to the five myths:

- Look inward as well as outward.
- Act boldly, but first see clearly.
- Build a team of team players.
- Judge as you will be judged.
- Be wise by being attentive, not just smart.

In a great many cases, the freshman CEOs would benefit from seeking further counsel, this time from external advisors. These outsiders can provide impartial perspectives on context, discuss the undiscussable, and serve as thought partners offline and away from the public gaze.

The most successful CEOs—successful personally as well as professionally—are not always the leaders who are most knowledgeable and decisive. Often they are the leaders who create the best team, imbue it with a coherent vision in keeping with the organization's mission, and inspire it to realize that vision.

NOTE

1. For this figure, see *CEO Succession Report: 12th Annual Global CEO Succession Study,* Booz & Company, 2012, p. 9; http://www.booz.com/media/uploads/BoozCo_CEO-Succession-Study-2011_Extended-Study-Report.pdf.

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