

Newsletter Future Insight

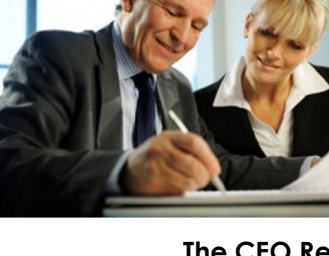
New Unique Business Consultancy & Coaching Now Available

Volume 1, Issue 2, Dec 2013

CEOs Just Want To Get Coached

Only two-thirds of CEOs get outside coaching but 100% say they would be receptive to it.

Good news for executive coaches: A new [study](#) from Stanford and executive coaching firm *The Miles Group* shows that while two-thirds of chief executives don't get any coaching or leadership advice from outside their companies, nearly 100% of those bosses say they wish that they did.



"Even the best-of-the-best CEOs have their blind spots and can dramatically improve their performance with an outside perspective weighing in," says Miles Group CEO Stephen Miles in a statement. "We are moving away from coaching being perceived as 'remedial' to where it should be something that improves performance, similar to how elite athletes use a coach."



John R Fergusson
Director & CEO
B.A.C.U.P. the Future
Pty Ltd
Ph: +612 9898 0681

The CEO Revolving Door Is Speeding Up, Study Shows



[Susan Adams Forbes Staff](#)

The survey polled more than 200 CEOs, board directors and senior directors of public and private companies in North America. Some of the findings:

- **Almost 66% of CEOs get no coaching or leadership advice from outside consultants**

- **A full 100% of bosses say they would be receptive to making changes based on feedback.**

- **Nearly 80% of directors say their CEO would welcome coaching.**

- **CEOs want to be coached, apart from the desires of their boards.** The survey asked CEOs who are currently being coached, where they got the idea to get help. Some 78% said it was their own idea. Twenty-one percent said it was the chairman of the board's idea.

- **CEOs prefer to be private about their coaching.** More than 60% said that they keep news of the progress they're making between them and the coach. Only a third said they share the information with the board. Stanford professor David Larker, who also worked on the study, says that sharing progress with boards can improve the relations between boards and CEOs.

- **CEOs' chief area of concern: getting help handling conflicts.** Nearly 43% of CEOs said that "conflict management skills" was their highest priority. Top bosses often get tapped for difficult decisions above all other problems.

- **Boards' chief area of concern: CEOs need to improve talent development.** While CEOs want help resolving conflicts, boards are eager for CEOs to work on their mentoring and motivational skills, and to improve their ability to show compassion and empathy. Boards also want CEOs to hone their persuasion skills. These are obviously more nuanced, less tangible skills and possibly more difficult to coach. "However, when combined with the 'harder' skills, improving a CEO's ability to motivate and inspire can easily make a difference in his or her overall effectiveness," says Miles.



Former Citigroup CEO Vikram Pandit, one of 2012's most visible CEO departures. (To see 2013 departures just in, click [here](#).)

At the world's 2,500 largest public companies, 15% of CEOs left office in 2012, up from 14.2% in 2011. That's more than any year since the 2008 financial crisis, according to an annual [study](#) by management consulting firm Booz & Co., released last week. "During the economic crisis, boards took a reactive approach to CEO turnover and postponed CEO transitions," said Booz senior partner [Gary L. Neilson](#), co-author of the study, in a statement. "Now they are actively planning CEO successions—companies are looking to build on the stability of a stronger economy and move forward with needed changes."

Booz has been conducting the study for the last 13 years. The only year CEO turnovers were higher was in 2005.

The study also shows that a substantial majority of new CEOs, 71%, were promoted from within. At a time when people tend to change jobs frequently, it's also notable that a quarter of the new CEOs have been at the same company for their entire career.

One of the study's intriguing findings: the share of new CEOs coming from outside a company has increased from 20% in the years 2009-2011 to 29% in 2012. That's notable because studies have shown that external hires get paid more than internal promotes. Last year I [wrote about a study](#) by Wharton professor Matthew Bidwell that found that external hires also get much lower marks in performance reviews and are more likely to be laid off than those promoted from within. The Booz study posits that because the economy has strengthened, more companies may feel stable enough to take a risk on an unknown leader from the outside.

Last year's Booz study went into some detail about the merits of promoting from within. CEOs who came up through the company ranks stayed at their jobs for a year longer than outsiders, an average of five years as opposed to four. Inside hires are also better for their companies' share price, according to last year's study. Companies with insider CEOs outperformed their regional stock market index by 4.4% while companies run by outsiders did just 0.5% better than the index. As Wharton's Bidwell noted, it takes longer for outsiders to learn company ropes, and insiders have a better sense of how to make change happen quickly.

One other intriguing note: in 2012, companies headquartered in Brazil, Russia and India hired the fewest CEOs from inside; only 56% did so. Another striking international finding: In Japan, CEOs have a median tenure of a hard-to-fathom 33 years. That contrasts with a low of eight years in Western Europe, Brazil, Russia and India.

The Booz study contains some other **surprising nuggets of information.** While you might think that most top bosses hold advanced degrees like MBAs or Ph.D.s, only 29% of those

promoted to CEO in 2012 have an MBA and just 9% hold a Ph.D. Having an MBA does seem to accelerate access to the CEO's office slightly. The median age of first-time CEOs in 2012 with an MBA was 52, while that of those without an MBA was 54. Those with Ph.D.s, 58.

What does this year's study say about women CEOs? Only 5%, or 15, of the new CEOs in 2012 were women. That's the highest increase since 2009 but still obviously a tiny fraction.

Future Class Leadership Academy

Secure Your Leadership Future!

EXECUTIVE COACHING AT...

F.C.L.A. (Future Class Leadership Academy)

Your future is a road untravelled and unless you yourself are prepared, and plan the road and the journey with the right people, it will be unmercifully déjà vu, or, you will lose your way.

Call 02 9898 0681 More Details www.fcla.com.au

Larry Page, CEO of Google



"If you're changing the world, you're working on important things. You're excited to get up in the morning."

David Sarnoff, CEO of RCA



"No man can be successful, unless he first loves his work."

HOW TO CREATE AWESOME MENTOR RELATIONSHIPS FOR CEOs

Whenever you ask a CEO who their mentors are, nearly all will talk about their past, i.e. who their mentors were.

There are a number of reasons for this as you can imagine. One of the main ones is they have outgrown, or have become more knowledgeable and thereby smarter, so the mentor is no longer considered needed.

Of course being mentored should not be based upon need alone, but still few find it easy to say who they look up to or archetype now as mentors, or even role models! If they are pressed to share, most will feel obligated to speak about someone famous, or well known (to the fraternity of business executives) for their ability to increase *rapidly* the "bottom line, company growth, perhaps international expansion" etc., attached to and elucidating **what** these people have done, rather than **who** they are.

In reality, mentoring or having a mentor or two is very personal and very private, except of course where it is advantageous to not be so. This advantage depends entirely on certain criteria which one needs to know before opening the mouth to reveal what could lead to divulging some very important personal information – both theirs and their mentors. This could leave you categorised for life once the media locks on to it – great if it is very positive for you, but what if it's not and what if the mentor for their own reasons, does not wish to be linked with you publicly!

The answer to this is to give your mentor an alias, a fictitious name. A name nobody can link to any specific individual and vice versa! This will give both parties incredible freedom and prevent the media and other opponents from doggedly following both around trying to predict the next move by who you may hold as an example to emulate or follow etc., as they won't know who you or your mentor are talking about!

To become and remain a great and exceptional CEO you need to choose wisely and well your mentors/coaches. After all they are meant to be guiding you into and showing you your future being and persona while honing your abilities and capabilities, your exceptional talents etc., for ultimate fulfilment of your dreams/vision and your life's mission.

Here are some of the key attributes to look for in a mentor/coach, in order to ensure you have an awesome relationship with them as a CEO in a mentoring program with its coaching processes.

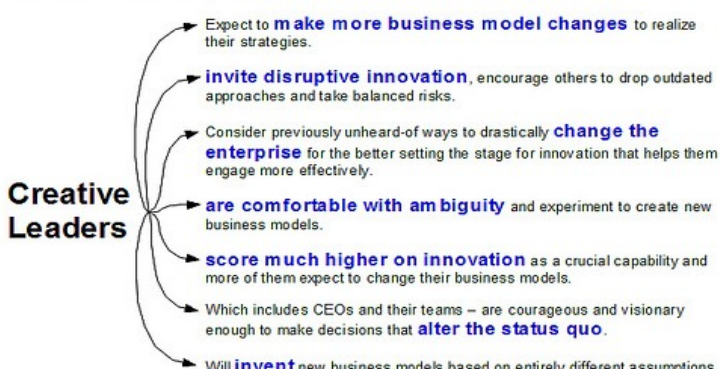
1. Professional attitude
2. Longevity in business
3. Proactive
4. Profuture
5. Pro-adversarial
6. Pro-confrontational
7. Exceptional character & wisdom
8. Extraordinary life experience
9. Unshakeable purpose
10. Unafraid of mistakes
11. Truth seeker
12. Talent designer
13. Decision maker
14. Change creator
15. Pressure controller
16. People watcher
17. Person developer
18. Knows the power and purpose of stress
19. Understands position, prestige, power and profit (wealth)
20. Where it helps uses alias's to keep away prying eyes and ears.

Just to name some of the more important aspects for an awesomely beneficial and productive mentoring/coaching relationship.

©John R Fergusson

For more on this very important work contact me at your earliest at: johnfergusson@bacup.com.au

The CEOs Speak



In surveying more than 1,500 Chief Executive Officers from around the world, the IBM 2010 Global CEO Study found that chief executives believe successfully navigating an increasing complex world will require creativity.

My Quote:

"Always a Student – at times a Great Master! Always a Master – never a Student, puts you in a prison awaiting disaster."

©John R Fergusson

More Information "[Don't Cheat Your Future](#)"

Questions or comments? Email us at: johnfergusson@bacup.com.au or call +612 9898 0681

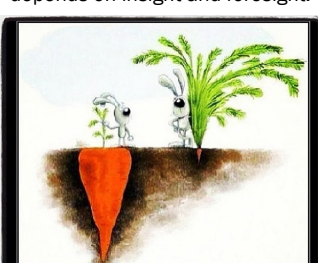
Please feel free to forward to business friends and colleagues if you believe this news letter would be helpful to them. Thank You !

Future Insight Newsletter is currently published bi-monthly.

To remove your name from our mailing list, please [click here](#) and simply tell us to remove it.

B.A.C.U.P. your Future....you are an original...not a copy!

B.A.C.U.P. the Future is here to confront the holy grail of your company and your boardrooms secret business. You can only be successful in a world that you can control, and that, you must do within yourself before you will be able to do it without. Otherwise you will not know the pathway and will wander all over the place relying on experts guesswork, your board, spouse, partner, luck and other fictitious unintelligent nonsense – the panacea of the masses. The right help is here - now! Your future depends on insight and foresight.



SUCCESS

it's not always what you see

YOUR FUTURE IS CREATED BY WHAT YOU DO TODAY NOT TOMORROW



It only takes one person to change your life:

YOU

But only if you know how!

If you don't build your **dream** someone will hire you to help build theirs.

-Tony Gaskins

TO VIEW A SUMMARY OF GLOBAL EXPERIENCE & EXPERTISE OF B.A.C.U.P. THE FUTURE PTY LTD TEAM

[CLICK HERE](#)

More Details www.bacupthefuture.com.au

Self Test

TOP EARNERS AMONG THE CEOs OF THE TOP 100 COMPANIES

TOP EARNERS AMONG THE CEOs OF THE TOP 100 COMPANIES				2012 statutory pay	2012 realised pay
		1 Peter Lowy/Steven Lowy	Westfield	\$21.08m	\$19.34m
		2 Mike Smith	ANZ	\$9.67m	\$19.17m
		3 Gail Kelly	Westpac	\$9.59m	\$11.68m
		4 Marius Kloppers	BHP Billiton	\$9.52m	\$12.73m
		5 Louis Gries	James Hardie	\$9.04m	\$9.23m
		6 Tom Albanese	Rio Tinto	\$8.79m	\$4.00m
		7 Cameron Clyne	NAB	\$8.78m	\$7.87m
		8 Grant King	Origin Energy	\$8.35m	\$6.86m
		9 Patrick Snowball	Suncorp	\$8.27m	\$4.05m
					
					

Kloppers Gries

Write down the difference between you and Australia's top 10 earning CEO's then grade yourself in the 8 CEO performance impact areas!

For further information and all past *Future Insight* Newsletters go to <http://futureinsightnewsletter.com/>

Please note:

This bi-monthly newsletter may from time to time contain hyperlinks to other websites. Such links are provided for convenience only and we take no responsibility for the content and maintenance of or privacy compliance by any linked website. Any hyperlink in our newsletter or on our website to another website does not imply our endorsement, support, or sponsorship of the operator of that website nor of the information and/or products which they provide.

From time to time we may host third party content in our newsletter and on our website such as advertisements and endorsements belonging to other traders. Responsibility for the content of such material rests with the owners of that material and we are not responsible for any errors or omissions in such material.

Grading The CEO's Performance		
What impact would each of the following have on your overall evaluation?		
	% of respondents indicating negative impact:	CEO Director
Unexpected Restatement	95.8%	95.9%
Unexpected Litigation	73.2%	73.3%
Missed Forecast	93.0%	90.7%
Major Negative PR Event	90.1%	93.3%
Unexpected Regulatory Problem	66.2%	76.0%
Unexpected Resignation of Senior Executive Team Members	62.0%	73.3%
Negative Results On Workplace Engagement Survey	71.8%	84.0%
Event in which CEO violates ethical principles or personal conduct standards	95.8%	100.0%

Source: 2013 Survey on CEO Performance Evaluations

Center for Leadership Development and Research at Stanford Graduate School of Business, Stanford University's Rock Center for Corporate Governance, and The Miles Group