

# 120 Day CEO Program

120CEOP

ARGroup has developed several exclusive Business Mentoring programs in conjunction with Michael Donovan, designed to address the diverse and unique requirements of the senior executive team. ARGROUP CEO "120 Day" New Appointment Business Mentoring Program designed to support the newly appointed CEO in their first 120 days of employment. Our Business Mentoring team will work in close partnership with the CEO and, as necessary, the Board during this important time.

## *A Countdown to Success or Failure?*

It is now becoming evident that the first '120' days in the life of the CEO is the countdown to failure or set-up for success.

Having an experienced former CEO Business-Mentor on-hand, who has been there before, can make the difference. As this diagram illustrates, the CEO's world is complex and diverse, making the first 120 days challenging even for the most experienced of candidates.

## *As the incumbent new CEO - How at Risk Are You?*

"Every morning in Africa a Gazelle wakes and knows it must run faster than the fastest Lion or it will be eaten. Every morning a Lion wakes up and knows it must run faster than the slowest Gazelle or it will starve to death. It doesn't matter if you are a Gazelle or a Lion but when the Sun comes up you had better be running". Anon

Fortune Magazine reports that:

- 82% of appointees are unable to readily build the new relationships needed to do the job with peers and subordinates. In fact they have difficulty in dealing with the sudden 'isolation' of the job;
- 58% are confused and uncertain about what is expected of them
- 50% lack the required connections into and around the politics of the organization to ever succeed;
- 47% will not achieve the 2 or 3 most important objectives of their positions and that will result in their falling out with direct reports, the Chairman and the board with 4 years.



In Australia, corporations complicate the matter further by:

- Less than 30% offer formal induction into the culture, systems and networks across the business for new executives and CEO's.
- Less than 50% of board directors believing that they need any further development in their role and that translates into denying or ignoring the needs of management in the businesses on whose boards they sit.

[Source: KPMG and AICD]

## *Successful Integration for Your Executives*

Even the most experienced executive is not always 100% prepared for a new job on day one. After all the care of the selection process, it is amazing to find the most appropriate candidate is often left to her or his own devices by the board or the CEO. Any other staff person would normally have a thorough induction to come up to speed. Surprisingly, this is not often the case with transitioning executives - especially CEO's. Less than a third receives any planned or formal induction.

For a first-time CEO these factors are a significant and avoidable challenge if recognised and addressed by a program like 120CEOP. It is essential that either the board offer 120CEOP or the new appointee asks us to provide it to them. Either way, the individual and the business gets a much improved chance at success.

It is well for boards and new CEO's to also recognise that up to 40% of appointments to the top role fail within a year. 120CEOP is an investment that can avoid the cost, embarrassment and potential business failure of not preparing the new appointee properly.

Michael Donovan, ARGROUP CEO Business Mentor explains "There is too little formal effort made in many corporations in

supporting a newly appointed executive by boards to CEO's and even by CEO's to new executives on the team. Compounding this acknowledgement, boards, the markets and shareholders are giving new CEO's only 120 days to show they can be successful. The reputation of the board and the business will suffer if the new incumbent falters."

Never before have markets, analysts, media and directors been so tough on the CEO to deliver the goods. Yet, paradoxically many boards offer little structured support towards ensuring the outcome they want and need. In the early days of a new incumbent, everyone is a pundit - a combination of media commentary, aided by analyst predictions or forecasts, followed by fund and shareholder statements form opinion about a new appointee and what he or she needs to do. This places enormous pressure on boards and individual CEO's.



As Kylie Hammond the Managing Director of ARGroup, a Sydney-based Executive Search company says, actions or inaction by boards are placing enormous pressure on the CEO to perform and prove themselves within the first 120 days of employment.

Harvard Business School provides a year-long on-line executive support program to assist with expert tips and advice. Some corporations have internal mentor programs, which assist the new executive join the culture of the organisation on a fast-track.

Many new CEO's are attracted by or have mentoring and/or executive coaching as part of their package. Some enlightened boards make this mandatory along with a program of practical appraisal and feedback that provides the CEO with a rigorous review of their performance. Some CEO's bring their mentor with them as part of a long-term relationship that has proven successful in getting them to where he or she is on their journey through life and business.

ARGroup, for example, build this offer into their fee base for retained executive search, and offer packages of mentoring and executive coaching to help "C" level candidates survive and excel through the first 120 day period. As Kylie Hammond explains, "It's a win-win. Our candidates get the support that they need during this critical time, it helps our clients to retain top talent to the organization and this in turn limits the use of a replacement guarantee".

### ***The Benefits of Using a Business Mentor***

With research showing that more than 70% of really successful leaders have some access to a trusted mentor for high-level support, mentoring would seem to offer many benefits as part of the first 120 days challenge in a new role. Robert MacDonald Chairman and former CEO of Allianz, describes the challenge of the first 120 days best. "You can't succeed in the first 100 days but you can set yourself up for success. And you can definitely fail".

Whether the CEO is experienced or new to the role - no-ones own experiences encompass all aspects of the role. This is no time or place for emotional baggage or inflated ego to hold back on getting the very best assistance to ensure success.

The level of technical proficiency needed to running a business has increasingly been over-laid with the recognition that interpersonal skills are now even more essential to make a business succeed.

Really effective executives use their personal experience of having a mentor to drive the interpersonal development of their team, as a mentor themselves. The gaining of experience and new skill-sets through the interaction with a peer mentor is becoming regarded as just another tool in the 'success-kit' of the new and successful executive.

### ***Business Mentoring Services***

ARGroup Business Mentoring is action and results-focused. Our business mentoring services are exclusively offered to the CEO, Managing Director or General Manager level where the individual has ultimate end-to-end business unit and leadership responsibility.

Our high calibre team of Business-Mentors work closely and confidentially with our clients to improve profits and maintain business performance, with a focus on leadership and personal development.

ARGroup Business-Mentors are a cross-section of some of Australia's foremost talented leaders, focused on action, helping you to find your best solutions to your specific business issues and helping our clients to achieve defined business goals. Putting business-mentoring into perspective alongside proven executive coaching for very senior executives:

### *Think of Executive Coaching for Senior Executives as:*

Working with your best and brightest to enhance their leadership effectiveness, performance and career progression, within a specific organisational context. This may include development and integration of mindsets and behaviours, as well as a focus on specific requirements needed for the application of capability. Ideally, your coach brings not only an enhanced range of skill-sets that can be tapped but more importantly aims to transform the mindset with new perspectives.

### *Think of Business-Mentoring for Senior Executives as:*

Guidance and direction in support of top-team members from an experienced person such that the individual is challenged to explore and integrate new perspectives. Business-mentoring is aimed at the individual achieving their full career potential while transferring their improved ability to manage into sustainable business initiatives. It includes guidance and exploration of specific business challenges, including strategy and policy. Ideally, your mentor should have broad useful experience preferably across many disciplines and industries coupled with an ability to share that range of expertise with you at a practical and pragmatic level. The outcome should be goal-directed and adaptable to your own strategic business success.

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### *Michael Donovan Joins ARGroup*

ARGroup is delighted to announce our exciting affiliation with one of Australia's foremost business-mentors, Michael Donovan, the former CEO Asia Pacific of the global-based mentoring group - Merryck & Co.

Michael Donovan's exceptional domestic and international business career has had too many career highlights to list. He has an enviable depth of experience across strategic planning, logistics, organisational & change management areas. He has worked in and consulted to governments, the public transport sector, tourism & the environment, the arts and entertainment sectors. Michael has a strong technology background.



At one end of the career spectrum, his career started in banking and progressed into SME start-ups for which he won a Productivity Improvement Award. At the other end, some 35 years later, he retired as Chief Executive of the large Best Western Hotel & Motel Group having achieved a Telstra National Award for the Best Use of e-Commerce in achieving a Business Plan, only to then create the Asia-Pacific business centre for UK based global CEO Mentoring group Merryck & Co.

In the intervening years, when he coordinated the NSW Bicentennial Arts and Entertainment program, saved the Nimrod Theatre, marketed conventions globally, set-up a large wetland sanctuary in Malaysia and researched regional public transport systems, Michael coached and mentored his successors in their new and challenging roles. Through Michael's affiliation with ARGroup, one of Australia's foremost executive business-mentors is on hand to willingly share his experience as a successful Chief Executive and advisor-mentor with new CEO's and emerging corporate leadership talent.

Michael is a Fellow, Australian Institute of Management, Fellow, Australian Institute of Company Directors (Dip. OM). He is a Graduate in Innovation and Entrepreneurship (NSW) and holds a Certificate in Environmental Business Management from the George Washington University, Washington DC.

### *Exclusive CEO Business-Mentoring Programs*

ARGroup has developed several exclusive Business Mentoring programs in conjunction with Michael Donovan, designed to address the diverse and unique requirements of the senior executive team.

- ARGroup CEO "120 Day" New Appointment Business Mentoring Program designed to support the newly appointed CEO in their first 120 days of employment.
- CEO Emerging Talent Business Mentoring Program for an individual/s in line for promotion to the CEO position.
- CEO "90" Day Turnaround Business & Strategic Challenges Mentoring Program - a Business Mentoring Program offered to the Board or the CEO, to provide Business Mentoring focused on strategic challenges.