

*“The Inner CEO”  
Unleashing leaders at all levels  
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I was constrained by a traditional management structure that did not encourage or even acknowledge the benefits of truly empowering people. Such a model must drive more collective and collaborative leadership through unleashing the power of people, and will be enabled by appropriate technologies, flatter structures and repurposed line management. This book provides the toolkit for this transformation.

#### The Five Forces of Transformation

1. Digital Transformation
2. Leadership Readiness (or ‘The Emperor’s New Clothes’)
3. Organizational Culture Shift. Culture shift starts at the leadership level. If it isn’t in place at the top, it won’t happen throughout the organization.
4. The Future Workforce and Ways of Working. There will be more remote and distributed workers or freelance digital nomads.
5. Broadening Diversity Lenses. Recruitment is about a more profound connection – beyond capabilities and into fit, culture and values alignment. Define, check and enhance team cultures as a key component of organizational success and people engagement.

In the digital era, speed is more important than size. There is no longer such a thing as ‘too big to fail’. It’s more likely that you’ll be too slow to succeed. Leaders at all levels can go beyond their job role and start to contribute strategically as much as operationally. Time for those who won’t change is running out.

This is the age of empowerment and the organizations transforming and succeeding are those that combine the digital evolution of their businesses with a strongly empowered and trusted workforce of people encouraged to unleash their inner CEO, regardless of role or level, and contribute more strategically to the business, as much as across the day to day.

It is important to restructure, remove layers of hierarchy and empower people so leadership is unleashed throughout organizations. It is increasingly difficult to make decisions in the traditional bureaucratic way: with hierarchies and levels of management. It’s just too slow. I believe we need to empower everyone to take the lead and make informed decisions. Higher levels of engagement are directly correlated to productivity improvement. We know that autonomy – particularly having the ability to make our own decisions – is a strong motivator, and we see it every day. We do have goals to ensure that we are moving in the same direction. But we also have built-in ways of working for letting creativity loose.

I believe the main benefits of digital transformation revolve around unlocking creativity and innovation, and to do that you need to be adaptable and nimble. Every member of the team knows where we’re going and why, and we have a strong set of values to guide the way.

I think that having a foundation built on solid purpose and strong values informs the culture. I think the line manager's role is still to do those things that glue the strategic direction of the business to the operational execution of the plan. It's about giving autonomy but also being clear about where we are heading. We need some structure and a support network, but not too much. Overcontrol destroys creativity and innovation.

### **A New Approach for Changing Times**

Speed to change, speed to action and speed to impact growth is the difference between winning and losing. Change is a constant, so displaying the ability to reinvent, change the game and change direction is needed all the more in this new era. A more collaborative and collective effort is required.

Winston Churchill is famous for saying, "Fear is the reaction, courage is a decision." The inner CEO is that potential – within individual contributors at any level – to innovate, generate ideas and lead the plan into action, going beyond the boundaries of their day job, without having to stop and ask for permission. Supportive management lines and a leadership team that moves away from a reliance on 'command and control' and into a state of enablement.

The 4Es Empowered Leadership Model for Unleashing In-Role CEOs:

Envision, Engage, Execute and Excel

#### **1. ENVISION**

Three key areas.

- Direction and Clarity
- Inspiration
- Strategic and Operational Outlook—an eye to the sky and feet on the ground,

#### **2. ENGAGE**

Tech and Touch

Collaborate and Communicate

The in-role CEO needs to know how to communicate effectively and create strong, collaborative teams. Recognize and Reward. People are more engaged when they are recognized for their efforts.

### 3. EXECUTE

- Plan
- Manage
- Solution Mindset

### 4. EXCEL

When people feel safe, and when the leaders trust their people, this nurtures a healthy exchange of ideas and collaboration. The net impact is that these people will typically look for other roles because they think that if they're not appreciated, and it isn't a safe environment for them to spread their wings, then there's no point in them staying. I'd like to say these attitudes I've experienced are old-fashioned and rare, but sadly they are all too familiar. They are dangerous for the future health and growth of our businesses and people.

I see a lot of leaders being too operational, which is driven by a lack of trust in their teams. They sit there giving orders, and then as soon as their people start to have a go, they criticize and control them. The organization needs to support its managers to become better coaches who protect and reinforce the strategic messaging, while delivering results through their newly empowered, stronger teams. Why would talent come and why would talent stay with directionless leadership, which didn't create an empowering or enriching environment? This is where HR needs to own the execution by supporting unleashed inner CEOs to succeed at every step.

#### **Creating the Right Conditions to Unleash Inner CEOs**

“Any company designed for success in the 20th century is doomed to failure in the 21st.”

When designing the future workplace, there's a need to be optimistic rather than fearful.

#### **Unleashing the Inner CEO: A Culture and Mindset Shift**

The change is about people moving from being almost entirely operational to becoming more strategic. 'flattening structures' means removing lines of hierarchy. It entails stripping away the red tape and bureaucracy to enable people to innovate and make decisions whatever their current position, rather than continually deferring to layers of management above. It's up to executive leaders to create the conditions of psychological safety, inclusion, trust and empowerment so that their people can embrace this mindset themselves and unleash their inner CEOs.

Enabling Leadership in the Digital Era. The challenge for many in the digital era is not the technology itself, but the sheer pace of change. A bigger risk is to revert to power being in the hands of a few executive leaders. In times of transformation and disruption this is an increasingly risky strategy, as perspectives may be narrow, and new thinking not a welcomed trait.

The idea of digital nomads.

Many operational roles are likely to be automated.

## The Inner CEO – a Strategic and Operational Balance

To realize their leadership potential, people need to understand the organization's direction and have a route map to get to their goal. Our in-role CEOs must keep their eyes to the sky and their feet on the ground.

There are a few considerations executive leaders should think through, in creating the conditions to successfully unleash the inner CEOs in their organizations.

Dr Amy Edmondson, the Harvard professor and scholar who coined the term 'psychological safety' described this concept as, "a belief that one will not be punished or humiliated for speaking up with ideas, questions, concerns or mistakes".

The people knew what we were aiming for and what their contribution needed to be. I really believed in bothering my mini-CEOs as little as possible, once they knew the direction and what was expected. In essence, what he did was empower people at the pain points, at every level, where they faced the day-to-day challenges.

Attrition is one of the highest avoidable costs; We look after our staff, and our staff look after our business. The secret sauce was not on our chicken; it was in our staff. The first thing is to be crystal clear about is your destination, because without a destination you will never arrive. Successfully transforming the organization has to start by decentralizing authority. The workplace is shapeshifting too rapidly for people to sit patiently and earn their stripes.

Company culture needs to be built on a platform of trust. Because to empower people, you need to trust them. They invest in the younger generation to accelerate their development and allow them to contribute, beyond their job role, early in their career. The failure rate of companies is at its highest in a century. As workforces evolve over the next five to 10 years, they will become more digitally enabled and increasingly remote, which will result in the blended workforces. It's important for those stepping up to be willing and able to take ownership of their development.

The Five-Point Validation becomes a quick checklist for managers and human capital professionals, in collaboration with individuals, to assess suitability of talent at any level to step up and unleash their inner CEO. The key validation areas are:

1. Attitude
2. Culture
3. Leadership
4. Interpersonal skill
5. Performance

The Five-Point Validation star definitions: Attitude: a can-do mentality, willingness to take ownership and adaptability to change. Culture: what are the organization's values, and is this person aligned to them? What is the team culture?

What are the enablers and barriers in place within the current culture, and do they need to be modified? And how does the management climate in the organization facilitate truly unleashing and empowering people? Leadership: this relates to capability. Are individuals demonstrating leadership capabilities in their role right now? This is about the stretch to be a future leader for the business (in hierarchical terms), or the ability to evolve within a current role and grow with it. This is also about the capacity to see the bigger picture.

Also, the ability to demonstrate natural leadership in the team and group. A consideration of peer, subordinate and senior respect will be important, as this will provide support along the journey as they mobilize and encourage others in their unleashed role. Interpersonal skills centered around collaboration, communication and emotional intelligence. People who are demonstrating that they can perform at high levels in the organization. Useful information can be gained from looking at contributions to the team (not just individual) targets, and the potential to be stretched.

“Employees who feel their voice is heard are 4.6 times more likely to feel empowered to perform their best work. Giving them a voice and a platform is a giant leap forward in terms of empowerment and job satisfaction.”

The Culture of Autonomy. Organizations have traditionally operated in a culture of compliance but need to transition to a culture of autonomy. Choose the best, make sure they're clear on what they need to do and then let them get on with it. Giving them space is a really important thing, but you also have to hold them accountable.

Let's start with meaning and purpose in a brave new world where we empower people rather than attempt to rebuild broken, obsolete systems. A negative cycle is hard to break when your people, who are being empowered, are thinking in 21st century terms, while the organization is stuck in the 20th century and making slow progress.