Help Your New Execs See the Big Picture

About 40 percent of new executives fail within the first 18 months of their promotion, says Scott Eblin, president of The Eblin Group and author of *The Next Level: What Insiders Know About Executive Success*.

Many new executives rely on the skill sets and strengths that helped them achieve their promotion, focusing on their functional expertise and specific skills instead of how they fit in to the bigger picture, explains Eblin.

That's not surprising, since most of us are likely to spend our time with the tasks and projects that we feel most comfortable doing. The problem, however, is that corporate leadership generally wants executives to spend time on enterprisewide business challenges that are impacted by the functional areas that report to the executives.

New executives must begin to delegate detailed tasks for which they may have previously been responsible to other staff so that they can free up their time to concentrate on the larger picture, notes Eblin. Current organizational leaders may not help this situation either. "You [new executives] get promoted on a Friday and show up on Monday and are expected to know what to do," says Eblin. Corporate leadership often doesn't provide much direction.

HR executives can be the catalyst that encourages the rest of the senior leaders to help a new executive acclimate to the new role, he comments. HR can focus on the business results that the organization is trying to accomplish and tie the responsibilities of the newly promoted executive to meeting those results.

Informal Mentoring And Training

Eblin suggests that HR can facilitate informal mentoring by other executives. If each senior leader adopts a new executive, shares with that person what it was like for him when that leader was promoted, and explains what was expected of him in his new executive role, it will help new executives tremendously.

Another thing that HR training and development professionals can do is to set up systems for peer-to-peer learning so that high potentials—managers who have been targeted through succession planning exercises as possible future executives—can coach each other in area where they hold the most strengths and learn about each other's functional areas of responsibility, says Eblin. Understanding how different divisions integrate to meet the broader organizational goals can help future executives become better at collaboration with other business areas. This will assist managers and eventually executives in creating successful solutions to operational problems.

For additional information, visit www.eblingroup.com.

S&P's CEO Survey Tracks Trends

The results of a survey of Standard & Poor's (S&P's) 500 leading companies released in early 2006 reports that the percentage of new chief executive officers (CEOs) over the age of 50 increased from 64 percent in 2004 to 69 percent in 2005. S&P has conducted research on the developmental background and professional experience of CEOs in leading United States companies for 9 years.

Sixty-two percent of all CEOs surveyed have earned advanced degrees beyond their college undergraduate degree, including an assortment of master's and doctoral degrees, according to the survey administrator, Spencer Stuart.

Only 21 percent of the CEOs have spent their entire career with their current organization. That percentage continues a downward trend since 2002, when it was 26 percent.

In terms of tenure as CEO at one company, there are regional differences. In the Pacific region, for example, the average tenure for a CEO in his or her position is 10 years, while it is 7 years in New England, the Mid-Atlantic, and the South. It is 6 years in the Midwest, Mountain, and Southwest regions of the country.

The number of CEOs that have been employed in one functional career path since their careers began is 12 percent, unchanged from 1 year ago, but down 10 points from 5 years ago.

When the top 100 S&P companies are singled out as a group, the percentage of CEOs following one career path is only 8 percent, down from 25 percent in 2000.

The more complex and technologically advanced that major organizations become, the more likely that their boards of directors may recruit an individual with a diverse background touching many areas of business, instead of one specialty, for the position of CEO.

When one career path has been followed by S&P 500 CEOs, Finance comes up as number one at 26 percent with Marketing and Operations tying for second place at 24 percent, with the next highest career path—Sales—coming in at 17 percent, Engineering at 10 percent, and Planning & Development at 9 percent.

For the complete survey results from "Leading CEOs: A Statistical Snapshot of S&P 500 Leaders," visit www.spencerstuart.com/research/articles/975.