

# CEO: Architects of Prosperity



In Catalonia, on the outskirts of Barcelona, stands an extraordinary structure. With towers and arches that echo traditional regional architecture, buzzing interconnected workspaces, and lush greenery spilling from courtyards and rooftops, the complex seems part workshop, part cathedral, part playground. But the site was not always bursting with such vitality. In 1973, when young architect Ricardo Bofill first spotted it, this abandoned cement factory was a polluted ruin. Bofill, though, saw opportunity: a space for the diverse team he was putting together—engineers, mathematicians, planners, philosophers, artists, and filmmakers—to grow, learn and build. The firm, which came to be known as the Ricardo Bofill Taller de Arquitectura, established its head office on the site and proceeded to revitalize and reinvent it, selectively demolishing, restoring, and adding to the structure, as Bofill guided his team towards a brilliant creative synthesis.

La Fábrica (The Workshop), where Bofill now lives and works, is globally successful and endlessly transforming. In many ways, it embodies the firm's approach: reinventing processes and employing new technologies, evolving to meet emerging needs, while remaining grounded in its values; a place of multiple perspectives, profoundly adaptable, winning business across many countries. As Bofill works to sustain and strengthen his company, balancing hard business expectations with emerging market and social needs, his vision radiates to transform communities; his team has created work that brings large-scale benefit, from innovative social housing projects to the National Theatre of Catalonia. In his projects, Bofill aims not to transcend humanity, but rather to keep people always in mind: "to encompass," as the firm states, "the human experience."

In this era of global uncertainty, businesses are faced with disrupted models and rapid change. Companies find themselves increasingly entangled in social issues, and are expected to work on solutions that create prosperity in all aspects: "people, profit, planet." It is a time for CEOs to recognize their roles as architects of this new milieu, with a chance to plan and build something not unlike La Fábrica: resilient, transformative, and generative of value for the many.

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This opportunity presents itself against a challenging landscape. To succeed, CEOs need to embrace a changing world and a changing role, and be ready to transform themselves and their organizations.

Egon Zehnder is pleased to present a series of articles offering insights into exactly these leadership challenges and opportunities, of special interest to current and aspiring Chief Executives and Boards. These narratives draw on our extensive global work with more than 2,000 CEOs in all sectors over the past five years, as well as our

services advising the Boards that appoint CEOs. We reflect on transformative work that our colleagues have been privileged to undertake with top executives, and describe their thorny challenges, their flashes of inspiration, their stumbles—in short, the milestones on their paths to creating prosperity for all their stakeholders, as well as the scope and aims of their organizations.

Along the way, you will meet some of the great leaders we've walked beside; people who have inspired us, and from whom we have learnt. We will tell the story of Mateo, whose deep experience in manufacturing and decades of success didn't prevent him from floundering in a shifting economy and society; Tara, who rebranded her restaurants for a new world; Daniel, who realized just in time that being a high-performance executive, well polished in business school, was not enough to guide a multinational firm through turbulent waters; and Jan, who shed an initial hesitancy in the CEO role to unleash a far-reaching transformation.

Others will feature too: Lukas, who marked his rise to CEO by urging his senior people to become Chief Executives in their own right, and established strong bonds beyond the common set of stakeholders; Beth, who shook off a long-held conception of business leadership and learnt to connect; and Raj, who surprised us with his power to adapt, founded on listening. We will describe warriors and visionaries of business, men and women who transformed themselves, stretching their own performance and that of their firms; who had the courage and imagination to see their relationships to stakeholders as gateways to prosperity, rather than burdens—and who stayed alert, always adapting.

## The world is changing—and so is the CEO's role

We are living in a world where geopolitical power is shifting to new centers, causing massive uncertainties; traditional boundaries of influence and responsibility are dissolving; technology is transforming every industry; and individuals, groups and institutions are ever more interconnected and interdependent. For business leaders, this means that their enterprises are embedded in a new and elaborate systems, calling for a different view of stakeholders.

Globalization has not eradicated challenges: our socio-political landscape is polarized, exposing social unrest, alienation, and distrust of the status quo. Yet we have the most educated population the world has ever seen, increased access to clean water, less infant mortality, greater awareness of mental-health issues, and many other powerful marks of progress. We are also experiencing the fourth industrial revolution as it radically alters the work of individuals and organizations. In short, the world is unavoidably complex.

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Against this landscape, it is unsurprising that business leaders are facing a new set of expectations from their stakeholders. Businesses now have far-reaching impact, in some cases exceeding even that of governments, and are increasingly expected to use their influence as a lasting force for good beyond the realm of profits and traditional corporate social-responsibility programs. This pressure is mounting from all sides, and is reflected in the rise of ethical consumerism, impact investing, the expectation that business leaders take a stand on social issues, and demand for work that is not only secure but meaningful.

In this context, the role of the CEO has grown and evolved. Working with the momentum imparted by current events, from crises of public health, societies, economies and the environment, to technological and business-model disruptions, CEOs must design and build the future while generating value for shareholders and a wide range of stakeholders.

A CEO must recognize the interconnectedness of these seemingly disparate objectives: performance requires transformation, and profit for the many is profit for the business. Integrating broad prosperity into the business model presents novel situations beyond traditional stakeholder management. Maintaining financial performance while serving as a force for good requires not only growth and keeping an eye on the bottom line, but also sometimes elevating one's sight towards the prospect of unexpected opportunities

### Architects of a new era

CEOs, and the Boards of Directors with whom they work, are coming to recognize that while the experience and talents of a Chief Executive are still essential, they are no longer enough to secure success. Most CEOs will have sharpened their skills in a previous era, modeling their leadership style on an earlier archetype, developed in different circumstances. To be effective in complex and uncertain times, CEOs must be ready for an ambitious dual journey of professional and personal reflection and development, while leading and inspiring their teams to embark on the same.

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CEOs are being called on to step up as architects of this new era, designing businesses that are innovative, resilient, and responsive to their environments. This requires leaders to be **self-aware, relational, and adaptive**—a set of qualities that are not independent, but stand strongly together in mutual support.

Self-awareness is a rigorous and disciplined commitment to being conscious of one's stage on the journey, and to continued learning and personal growth. This involves

constant attention to our motives and behavior, as well as how these radiate to transform our business and teams. CEOs must find a delicate balance between self-confidence and mindfulness, always aware of their own limitations. Rather than taking themselves to have reached the terminal point of professional and personal development, CEOs should have the courage and humility to regard their own appointment as a midpoint of their journey, remaining eager to make changes that boost their leadership and effectiveness.

Along with self-awareness, CEOs must cultivate and expand their relationships with genuine openness and boldness, harnessing the collective power of diverse team members and stakeholders to fuel their organization and elevate its performance.

Realizing a **relational** orientation requires learning new ways of listening and communicating: with curiosity, humility, empathy, and authenticity. These skills allow a CEO to cultivate a “first among equals” relationship with their Board and teams, expanding their self- and organizational awareness by inviting inspiration and insights from diverse perspectives, including responses to their own leadership. Treating these relationships as sacrosanct, defined by mutual trust and respect, will prove essential to CEOs hoping to propel their organizations’ transformation and performance through an increasingly complex landscape.

This relational approach must extend beyond a company’s conventional stakeholders. A CEO should seek out new and uncommon alliances across organizations and sectors, seeing these entities as value creators and pillars of collective strength, offering new opportunities and unique points of view to enrich institutional judgement. As leaders adopt a relational orientation, an older archetype—the “hero” CEO, who stands alone as the head of a hierarchy—is gradually becoming obsolete.

Undeniably, commitment to a relational orientation is challenging. Relational CEOs must be perceptive enough to sense which relationships can benefit their business and broadly promote prosperity, and then astute enough to realize these advantages.

In an era of rapid transitions, CEOs who can remain clear-sighted and adaptive will be innovative architects of outstanding business performance. They will be bold and creative, honoring valuable traditions while forging new strategies with benefits that ripple out beyond the organization.

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These CEOs, especially if relational and self-aware, will use their unique vantage, enriched by insight from their team and stakeholders, to grasp genuine opportunities, as well as to meet or bypass challenges. They will recognize that apparent polarities between people and profit, if synthesized creatively, can be engines of value instead of problems to be solved. And they will travel the tricky adaptive path from old to new models of operation, inspiring their organizations and navigating them through the transition.

Flexibility involves openness, an unquenchable appetite for learning, visionary foresight to predict future challenges and opportunities, and an ability to tap into institutional strengths and origin stories to energize and stretch the organization.

As CEOs lead us through complexity into a better future, they must maintain strong values—recognizing their responsibility to use unwavering humanity as their compass, or North Star, when making decisions or changing paths.

Every era sets its own demands for leadership. In response, a great leader not only accepts the challenge, but brings their own vision to it. Ricardo Bofill knew that to attain global excellence, it would not be enough to pursue architecture in the old way. Instead, he assembled a diverse and skilled team, stretching everyone's capacities to the limit as together they built in ways no one had envisaged before, creating magnificent and inspiring new landmarks that celebrate the vast potential of humanity. As we enter a period that offers challenges and opportunities on a global scale, it is an honor for us at Egon Zehnder to share the experiences of leaders who are striving to reinvent themselves and their teams, building new organizations together. We hope you will join us as we present the struggles and accomplishments—the imperfect and inspiring human drama—of their stories.

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### Our CEO Practice

Egon Zehnder's global CEO Practice is active in chief executive leadership succession, recruitment, and professional development. We recognize that the selection of a CEO is the midpoint of a process, not the end. We understand that the Chief Executive role is unique, particularly in the current atmosphere of complexity and volatility. These uncertainties call for a pragmatic and aligned view on the business and leadership requirements of the CEO. To learn more about the CEO Practice, please visit <https://www.egonzehnder.com/what-we-do/ceo-search-succession>