

The Road Ahead for CEOs: Shifting Identity to Enable Change

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“To understand where we are in this moment . . . we must all truly understand where we have been and the depth of our sadness. . . . We can’t heal without truly understanding the depth of the disease.”

— Thasunda Duckett, CEO Chase Consumer Bank

Two years ago, Bryan Stevenson, law professor, relentless advocate for criminal justice reform, and executive director of the Equal Justice Initiative (EJI), told many of the nation’s top CEOs at Fortune’s CEO Initiative in San Francisco that he believed they could make a critical difference in creating a more just society and a better world. But to do so, Stevenson cautioned, they would have to “do some uncomfortable and inconvenient things.” They would have to be willing to get much closer to the problems—to really listen in order to understand. “When we isolate ourselves, we allow ourselves to be shielded and disconnected . . . we further sustain and contribute to the problems,” Stevenson elaborated. “I am actually persuaded that in proximity there is something we can really learn about how we can change the world, how we can change the environment, and how we can create healthier communities.”

A Watershed Moment

Now, as we continue to navigate a global pandemic and face nationwide unrest over racial violence and long-

sustained inequality in America, Stevenson’s prescription resounds. Ironically, a crisis that initially separated us physically has laid bare our essential, common humanity and our interdependence. After months of confinement, tens of thousands of protesters have flocked to the streets of the nation’s (and the world’s) cities to say “enough is enough” to systemic racism and to demand long-denied social justice. There is a sense that we are at a turning point: that the human race is coming together to collectively confront America’s deep-rooted racial past. All over the world, the foundation for that work is being demonstrated.

Rising Leadership

Rising to meet this moment, CEOs have stepped up as never before to do their part in accelerating the movement for justice and reconciliation forward. They are sensing the call for leadership and are responding, believing that business has a critical role to play as a pillar of our free and equitable society. Many corporate executives have published impassioned statements pledging their

commitment to dismantling racial inequities in their organizations. They are representing new purpose and supporting values with transformational capacities.

“We must remain vigilant in standing together against racism and discrimination. Doing so is not only at the heart of the values of our company, it’s at the core of the most basic principles of human rights, dignity and justice. . . .Until we, as a nation, confront and address these hard realities, we will never achieve the best of what we can be.” Doug McMillon, CEO of Walmart, wrote. And the push for CEO leadership has received support all over the world. “Business has a critical role to play in creating an equitable society which is intolerant of intolerance,” stated Alan Jope, CEO of Unilever.

Committing Resources

The ongoing involvement of CEOs is critical. “This is a mandate,” said Richard Edelman upon announcing a new Edelman survey of 2000 people across the nation who “unequivocally” want companies “to step up and play a central role in addressing systemic racism.” Sixty percent of the respondents said “an inclusive work culture with a strong diversity program is critically important,” and 42 percent agree with the statement “I would not work for an organization that fails to speak out publicly at this time to support the need to address racial equality in this country.” CEOs are listening and actively pledging corporate resources to take action. Many have announced the allotment of significant funds for the cause, whether through new internally created vehicles like the Apple Racial Equity Initiative or by supporting existing ones like Stevenson’s EJI, the NAACP, the Black Lives Matter movement, and many others.

Clearly, there is great momentum to enact change. Still, few are naïve about the enormity of the challenge ahead.

The Awakening Starts with the CEO

An organization cannot develop beyond its leader’s stage of development. When CEOs ask for their people to become inclusive, the work must begin with them. They have started in a conscious, impactful way.

These CEOs are demonstrating courage to speak truth to a history that has remained buried for far too long. “The reality is that there is still a wound in the fabric of America that is not just not healed – but is being reopened,” said James Quincey. “I’ve been reflecting on our duty to Black people in America. Simply put, America hasn’t made enough progress, corporate America hasn’t made enough progress, and nor has The Coca-Cola Company.”

CEOs are facing an opportunity to take responsibility for hard truths and long denied realities. Never before have we seen our corporate leaders en masse display such vulnerability. In doing so, they are starting the vital process of acknowledging first their own and second their organization’s role in where we are today. This needs to continue. And it is deep and difficult work, for it requires a shift in their leadership identity—a significant change in their perceptions about themselves and their organizations. It demands a willingness to lay claim to their past entrenchment in the status quo and really embrace the process of letting go of it. By continuing to account for and lean into these revealing insights—about their self-perception, their assumption of knowing, and more—CEOs open the necessary space for personal and organizational change.

Getting Proximate

At the heart of this journey is really experiencing the pain and enlightenment of confronting the truth. To do this, CEOs must, as Stevenson advised, continue to get proximate—to willingly get close to and better understand the losses and fears of those who have been victimized and held back for too long by our systemic racism. “Let’s go back so we can truly understand...to heal the heaviness that we cannot escape,” writes Thasunda Duckett, the CEO of Chase Consumer Bank. “Let’s do it with one goal—forward progress towards equality and a more perfect union.”

CEOs will need to lead their organizations through the journey of addressing the question “Who would I, and we, like to be moving forward?” That can only happen when they really feel the full discomfort of the present. They must become willing participants in this process, through the vicissitudes of acknowledgment and understanding, to

the experience of feelings, acceptance and reconciliation. This is not a linear process. It is crucial to have tolerance for the natural processes of disorientation and reorientation that need to take place.

The Essential Work Ahead

This is where leaders and organizations need to invest now.

Progress will never be made by outsourcing responsibility. CEOs need to help their organizations learn and move through the discomfort, in order to heal and bring real inclusivity and lasting cultural change. “I know this is not the time to be silent. I know it in my gut,” writes David Solomon of Goldman Sachs. “So I’m asking all of you . . . to ‘look up’ and acknowledge what is happening around us. I want you to check in with each other and be willing to have conversations that may take us out of our comfort zones.”

This is the time for them to commit to the process itself—to create constructive environments that can host disparate comfort levels with the tough work of recognition, education and reconciliation. Everyone is going through their own sense of loss. Sonia Syngal, the CEO of Gap, has

emphasized focusing on the essential work of bringing people together in a collective, educational process so they can come to a place of understanding. “[W]e must have the kind of workplace where we talk about what is happening, to support each other through this time, with care and empathy for the emotions we are all going through,” she said.

Changes will not embed in the organization if there is not sufficient space for people to experience and embrace the full scope of the undertaking. This is why listening and staying in the pain of the present are so critical to the evolution. And this is why it is important to not simplify the journey for the sake of efficiency.

Leading their companies through an immersed process of really understanding the breadth of people’s loss and accepting responsibility for their actions—this is the essential and uncomfortable work that CEOs must oversee if their newly professed goals are ever to become a reality. Only when we acknowledge what has been lost can we feel the loss of the other and understand the loss at the collective level. This is the vital, long-observed, noble undertaking ahead. Importance of this cannot be overstated; it is the state of leaders’ consciousness that will set the tone for absolutely everything that follows.

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