

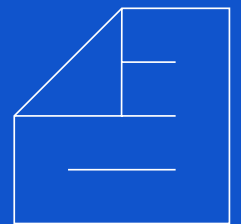
STANTON CHASE

Cracking the CEO Code:

7 Lessons and 6 Prep Moves for First-Time CEOs

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Getting your first job offer as a first-time CEO will be one of the happiest moments of your life. Realizing the enormity of the task that lies ahead will undoubtedly be one of the most stressful.

What the CEO controls typically accounts for [45 percent](#) of a company's total performance. The good news is that there are things that you can do to set yourself up for success as a new CEO—and you can do them from day one. They don't require any capital or investment, but they do require commitment.

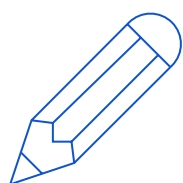
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6 Key Actions for First-Time CEOs Before Day One

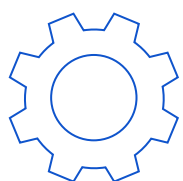
Benjamin Franklin once said, “By failing to prepare, you are preparing to fail.” This rings true when it comes to the preparation you need to do before day one as well.

These are six things incoming first-time CEOs should do before they start:



1. Prepare a Ready-To-Go Message— Establish Your Identity and Vision

As a new CEO, you need to quickly establish your identity, vision, and reasons for others to follow your lead. Because of this, before day one you will need to create a clear and compelling message that communicates your background, beliefs, goals for the organization, and leadership style. This will help set the right tone and expectations from the get-go.



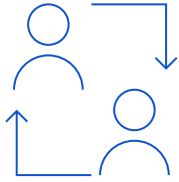
2. Do Your Homework— Conduct Thorough Due Diligence

Don't walk in blind on your first day. You should invest time researching the company, studying financial reports, understanding market dynamics, identifying strengths and weaknesses, and getting up to speed on important issues. This prior knowledge will allow you to hit the ground running.



3. Build Rapport— Reach Out to Key Stakeholders

Before your first day you need to initiate contact with influential people like your board members, peers, major customers/partners, and industry experts. This will allow you to get insight into their perspectives, build initial rapport, and demonstrate your eagerness to learn.



4. Plan Your Onboarding— Prepare an Orientation Agenda

You should make sure that you have a comprehensive agenda for your onboarding process. If one isn't provided, be proactive and develop your own plan covering meetings, facility tours, introductions to teams and processes, and opportunities to understand the business more deeply.



5. Secure Support— Get Your Family on Your Side

The first few months will be extremely demanding. You will need to have an open discussion with your family about the intensive time commitments, potential travel, and ensure you can fully dedicate yourself during this important transition period. Your family's support will be invaluable.



6. Recharge Your Batteries— Start Well-Rested

Don't begin an incredibly challenging role already fatigued. Take time to recharge your batteries before your first day. Being well-rested, both physically and mentally, will enable you to tackle the steep learning curve with energy and focus.

7 Important Lessons for First-Time CEOs

Success isn't all preparation, though. Much of it boils down to knowledge and expertise.

To that end, here are six things that new CEOs should understand to help them excel in their new position:



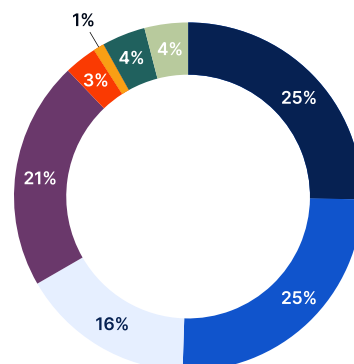
1. Time is Your Scarcest Resource— Learn the Art of Time Management

[Research](#) has shown that the average CEO divides their time at work as follows:

- 25% on people and relationships
- 25% on functional and business unit reviews
- 16% on organization and culture
- 21% on strategy
- 3% on professional development
- 1% on crisis management
- 4% on mergers and acquisitions
- 4% on operating plans

How the Average CEO Spends Their Time

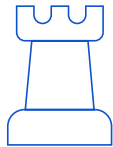
- People & relationships (25%)
- Functional & business unit reviews (25%)
- Organization & culture (16%),
- Strategy (21%),
- Professional development (3%),
- Crisis management (1%),
- M&A (4%)
- Operating plans (4%).



But not all CEOs are equally successful, and just because this is how the “average” CEO, in terms of data, spends their time, it’s not necessarily how you should spend your time to achieve excellence.

The [research](#) also discovered that your average CEO works an average of 9.7 hours each weekday. On top of that, they work 79% of weekends for around 3.9 hours daily and spend 70% of their vacation days working an average of 2.4 hours.

Those are a lot of hours to work, and with basically zero downtime. In order to avoid burnout, first-time CEOs need to be masters of time management and prioritization. New CEOs who do not figure out the art of time management may find themselves facing time scarcities without enough time to spend on important things. And even worse, this can be terrible for your stress levels and mental health.



2. Strategy is Your New Best Friend— Define Your Strategic Vision Early On

Even more important than time management and prioritization is setting your strategic vision early on and getting everyone, from your C-suite to grassroots employees, to buy into it.

Statistics show that only [2% of leaders](#) are confident in achieving 80-100% of their strategic goals. You need to be part of that 2% to ensure that you come out on top as a newbie.

For a new CEO, once you have articulated your strategic vision and stakeholders have endorsed it, it is imperative to establish clear, measurable targets and consistently review them to maintain course.

You don’t need to wait until you’ve been in your role for months before you start setting your strategic vision and tracking its progress—that’s something you should start doing from day one.

But keep this in mind when setting your strategic vision: new CEOs usually hold their roles for about [nine years](#). During this time, markets, technology, and consumer preferences will change. This is an undeniable fact. Your strategy, thus, needs to be flexible to adjust to these changes.

Many CEOs focus on short-term gains to please shareholders, but a better approach balances immediate profits with long-term vision. Embracing this approach is advisable for optimal organizational success.



3. You Will Have a Cultural Impact— Make Sure It's a Good One

As a new CEO, it falls to you: support the existing culture, or make changes. This is a key early decision. Why is it important? Because [92% of CEOs](#) believe that improving their company's culture would enhance its value.

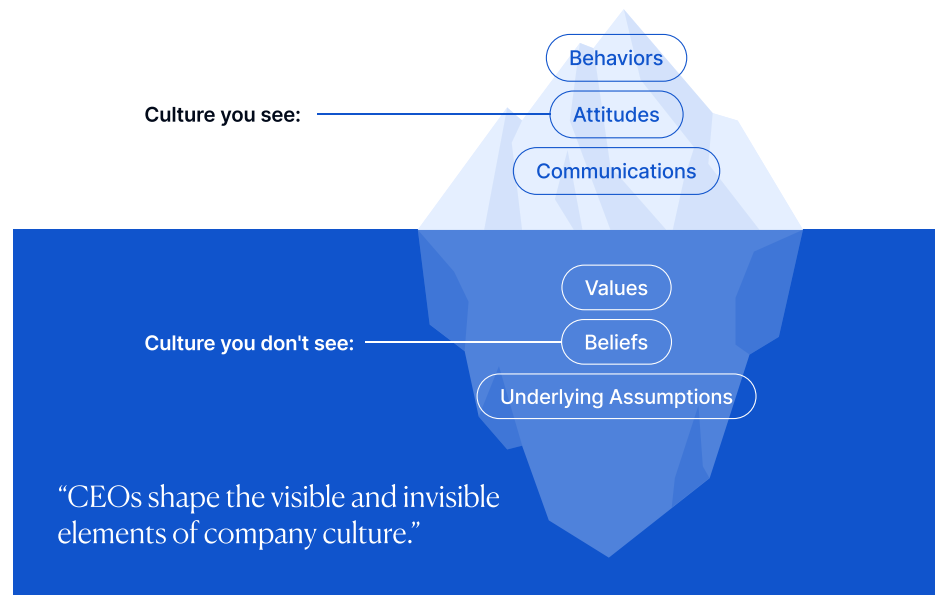
Despite the acknowledgment of culture's importance, only [19% of executives and 15% of employees](#) believe that their culture is consistently maintained across their organizations.

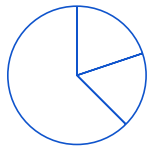
As CEO, you lead the charge on culture. Strong culture impacts performance, teamwork, and innovation. It also helps the company adapt to market shifts.

It's your job to embed a strong culture that's shared by everyone. It should align with your business aims and get everyone working towards the same goals. Your own leadership style will shape the culture, too.

Begin your CEO journey with intention. Set a cultural tone that guides hiring, reviews, and operations. Culture affects everyone's work and happiness. It will also influence customers and your bottom line.

The CEO's Role in Company Culture





4. Data-Based Decisions are a Must— But Don't Disregard Your Intuition

Data is everywhere. Even so, [78% of people](#) tend to make a decision and then hunt for data to support it afterward. That's a topsy-turvy way to go about decision-making. And because of that, change is needed.

CEOs must push a data-first approach in their companies. Doing so can lower risk, save money, and increase efficiency. But there's a problem. [Seventy percent of people](#) say that they have too much data to weigh up when making decisions.

If you find yourself overwhelmed by data when stepping into your new role, consider some of the innovative tools out there to help you analyze it. Artificial intelligence (AI) is very popular for this purpose. In fact, in mid-2021 data showed that [79% of companies](#) are already using AI to make decisions, this has further increased.

So, it's clear that data is important—and that new technologies like AI can help you harness its full power—but that doesn't mean CEOs should disregard their gut feelings entirely. In fact, [67% of CEOs](#) believe that intuition also plays an important role in making effective decisions.

As a new CEO, your best bet would be an approach that puts data first but still leaves some wiggle room for intuition.

Balancing Data and Intuition in Decision-Making





5. Get to Know Your Company's Financials—Then Get to Know Them Even Better

Financial literacy is incredibly important, but unfortunately, far too many C-level executives aren't as financially literate as they believe themselves to be. [A 2009 study by the Business Literacy Institute](#) found gaps in their knowledge. Most surveyed executives confused profit with cash flow—a basic concept. They also struggled with the basics of financial statements. Of particular note, 70% could not define “free cash flow.”

As a new CEO, your first order of business is to do better. Not only do you need to be highly financially literate, but you also need to understand your company's finances inside and out. Knowing the numbers will be key to helping you analyze reports, forecasts, and budgets. You need to know how money works in the business, to see what the financial future might look like, and to make smart, safe money moves.

Leaders who understand their companies' numbers can link what the company does every day to financial success. And they can help their teams to understand it, too.

And here's the thing—money-smart CEOs tend to run more successful companies. They know how to use financial data to win. This shows why new CEOs should either come with good money sense or learn fast. Their financial acumen can make or break confidence in them.



6. You're in a Relationship with the Company's Leadership Now—Invest in It

Being a CEO comes with a lot of expectations. Everyone's watching your every move. It's important to start strong and be clear in what you say and do. And building a solid relationship with your board matters a lot because out of everyone watching your every move, their opinions arguably matter the most.

As a new CEO, you will be tasked with creating and executing the company's strategy and day-to-day operations. The board's role, on the other hand, involves setting strategic goals, approving your plans, and providing counsel.

But good CEOs know that the board isn't just there for governance and oversight. If you want to be truly successful, you need to embrace them as the support system they are. The board can offer you resources, wisdom, and connections. When you run into obstacles or challenges, your relationship with your board can be a source of strength and solutions.

However, your board shouldn't be your only focal point. The strength and unity of your entire leadership team is of paramount importance. Surround yourself with experienced and highly capable executives who can supplement your own skills and knowledge, divide responsibilities effectively, and set your organization up for success. Don't be afraid to bring in new people with deep expertise in key areas.

For CEOs just starting out: the recipe for success is clear. Build a relationship based on mutual respect, open communication, and transparency with your leadership team, and keep your board in the loop with your strategy. This helps everyone row in the same direction. Use clear goals and regular check-ins to keep your partnership solid. And remember, this isn't a set-and-forget deal. Healthy relationships require constant care.



7. Seek Out Mentorship and Develop Your Emotional Intelligence—They Will Be Key to Your Success

As a first-time CEO, there is always more to learn. Seeking mentorship from experienced executives who have been in your shoes can be a game-changer. A good mentor can provide guidance, serve as a sounding board for complex challenges, and help you grow as a leader. Sometimes, a mentor can also become a good friend—and that's something new CEOs definitely need.

Equally important is the focus on developing your emotional intelligence (EQ) and communication skills. As CEO, your ability to empathize with others, build meaningful relationships, inspire your team, and communicate a compelling vision will be key to your effectiveness. You should invest in honing these skills through leadership coaching, 360-degree feedback, and conscious practice. Authenticity, self-awareness, and strong EQ often distinguish the most impactful CEOs.

“As CEO, your ability to empathize with others, build meaningful relationships, inspire your team, and communicate a compelling vision will be key to your effectiveness.”

... But Sometimes First-Time CEOs Need a Helping Hand

Starting your journey as a CEO is exciting, but there's a lot to learn. While we can't fit all the ins and outs into one article, CEOs shouldn't have to figure it all out alone. Helping your new CEO thrive means your business will, too.

At Stanton Chase, we're here to help. We offer executive onboarding to ensure new leaders have all they need for a strong start. A great beginning paves the way for a successful future.

Curious about how we prepare CEOs for success? [Click here to discover our executive onboarding service.](#)

Still on the hunt for the perfect CEO? [Click here to explore our CEO search and succession services.](#)

About the Authors



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[William Brewer](#), CCP, is a Director at Stanton Chase Los Angeles. He is also Stanton Chase's Global [Human Resources](#) Functional Leader. Prior to moving into [executive search](#), Bill had 25 years of experience in corporate human resources. In addition to his executive search career, Bill is an adjunct Professor at the University of Redlands. Bill also serves as a mentor for the MBA program at the Paul Merage School of Business at the University of California, Irvine (UCI) and has been a mentor with the School of Business at the University of Redlands.



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