



CEOs Need to be the Chief Purpose Officer

The definition of good leadership has changed. **Charlie Wagstaff**, Managing Director at Criticaleye, explains why CEOs must make a personal commitment when it comes to leading a defined purpose

The business landscape has and continues to evolve exponentially and at pace. Some factors are already very apparent and irrefutable:

- **Risk of extinction** – research suggests that 40 per cent of current Fortune 500 companies will have disappeared in the next ten years
- **It's all about speed** – it is not about large versus small, simply about fast versus slow
- **Competition** – it's likely that it will no longer come from within your own industry
- **Technology** – the competitive playing field has been totally levelled
- **Millennials** – they are and will continue to set the cultural agenda.

Disruption like this means that leadership teams will have to regularly re-align their strategies and purpose to what's going on in the outside world.

This will include continually reviewing their priorities with data feeds. When it comes to investing in new technology, leaders should ensure they have the right skills within the business to remain competitive, >



and take measures to comprehend the new risks and opportunities that a digital economy presents.

In direct reference to the above, challenger propositions are appearing in numerous forms, whether it's:

- The most popular global media company, which creates no content – Facebook
- The world's largest taxi company, which owns no cars – Uber
- The largest accommodation provider, which owns no property – Airbnb
- The communications company that owns no telco infrastructure – Skype

A Change of Purpose; a Change of Leadership Style?

Technological change, rising consumer expectations and the shift to agile teams (outside the computer programming domain) require adept cultural leadership. The board and senior executive team need to make different decisions faster.

Similarly, changing demographics within the workforce, namely the increasing number of millennials in organisations, are forcing leaders to adopt a new approach when it comes to attracting and motivating the best talent.

Leaders, as they are more exposed and open to criticism than ever before, find there is the requirement to address questions and concerns from both inside and outside their organisation. And this needs to be done at an appropriate speed and with consistency of purpose.

Purpose, business model and strategy are simply becoming more intertwined and

fluid. As a result, leaders are expected to take an even more conversational approach to their leadership style. This of course is partly fuelled by a culture of social media. Leaders and senior executives have to ensure they are communicating honestly and that their personal values continue to be aligned to their organisation and its consumers.

A New Way of Leading as Chief Purpose Officer

Inspiring and motivating through relationships has always been essential for any successful CEO. It's a skill that has significant and tangible business benefits when applied across a pool of stakeholders, be they investors, your senior team, employees, customers or industry peers.

If you've made it to the top of your organisation you are clearly highly proficient at maintaining beneficial connections and have built out key sponsors.

However, leaders who fail to recognise the increasing value in a highly-diverse ecosystem of stakeholders outside their immediate environment will increasingly fail in what is becoming a highly connected, digital and interdisciplinary business atmosphere.

It may seem counterintuitive as a leader to shift your focus from your own organisation and industry to the wider world and look for value in broader relationships, but this is vitally important to a leader's success and the continuity of the business and the community it serves.

Without that external sounding board, breadth of customer engagement,

frequent benchmarking and ready access to a vast pool of knowledge and customer data, leaders will struggle to remain abreast and understand best practice in a rapidly changing world.

Getting access to an open and trusted peer group with an emphasis on sharing knowledge, experience and perspectives is the ultimate goal in a world characterised by ambiguity and change. Ensure you are constantly refreshing the purpose of your business – the more varied the inputs, the more varied the outputs.

It's up to the CEO to lead on this. And, whatever stage you are at you can ill afford not to act now. ■

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Charlie's involvement, since the inception of Criticaleye, combined with his diverse industry background, gives him a unique understanding of the challenges and leadership issues facing today's global senior executives. As well as being a Board Mentor, he chairs/facilitates strategy Discussion Groups and Retreats.

Prior to Criticaleye, he was based in Africa (Zimbabwe and RSA) as Director, Operations and HR, for CDC Capital Partners.

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