

Not business as

Today's corporate leaders need a different set of skills to succeed in an

ASK any company's board what they consider when choosing a new CEO, and they are likely to say that the candidate will have to be of good character and integrity, possess the ability to inspire and build teams, and be able to think strategically. Above all, they need to have the passion to bring an organisation to the next level.

Yet, against a backdrop of disruption and change in the corporate world, the type of skills required to be a successful CEO has evolved. Today's leaders also need to be comfortable with technology, and be nimble enough to navigate their organisations through a constantly-evolving landscape.

"So it's no longer business as usual in looking for your leaders. The imperative now is definitely to look for CEOs who are able to manage ambiguity, comfortable with making decisions in spite of not having full information of the future," says Professor Annie Koh, academic director, Business Families Institute, Singapore Management University.

At the same time, CEOs must be able to manage organisational risks to balance this change, says Lee Yan Hong, head of Group Human Resources at DBS Bank. "Given the pace of change, it is important that CEOs be ambidextrous, have the maturity and resiliency to deliver outcomes, even during difficult times," she adds.

Goh Swee Chen, chairman of Shell Companies in Singapore, notes that there are also growing demands for corporate leaders to behave ethically, and ensure the organisations they head do so as well. "CEOs are not only held to the performance of the business, they are also held to higher ethical standards. The nature of shareholders' questions at AGMs (annual general meetings) and employee engagement responses are good barometers for broader stakeholder expectations or concerns. Stakeholder groups expect CEOs to grow their businesses, and to do so responsibly," she says.

Diversity in leadership

In today's corporate world, where diversity in the workplace is widely recognised as a pre-requisite for success, companies will also have to consider the make-up of their management teams when selecting new leaders.

"Progressive boards hold their CEOs accountable for the diverse composition of the workforce. Companies that embrace diversity and inclusiveness at all levels of the organisation are more likely to succeed in today's world. CEOs stuck in a single-culture time warp will have difficulty navigating for success under turbulent circumstances," says Ms Goh.

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business is widely recognised, "the decision on the CEO should be gender neutral and based on merit".

However, Prof Koh believes that as more companies seek out diverse talents, the odds of female talent being selected – as well as those from diverse backgrounds and cultures – may rise. She notes that in many industries such as commodities, automotive, chemical and telecommunications, female leaders are under-represented.

"I am hopeful that things will change as many programmes are now in place to encourage our girls to consider careers in technical industries. But they need female role models and we don't have too many around," she says.

However, she does believe the situation is changing for the better, with more female CEOs being appointed in industries which were traditionally male-dominated. "I believe that's because the boards of these companies are starting to realise that a disrupted world may need very different leaders."

Qualities of female leaders

Among their qualities, Prof Koh says that female leaders are not afraid to ask for help from competent team members, and are better at fostering collaboration across different teams within an organisation.

When it comes to finding candidates for senior roles, industry players argue that organisations should look

usual for CEOs

environment marked by rapid change. BY FRANCIS KAN



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within their own ranks first. As some of the most successful companies in the world today were built by people who share a common purpose and set of values, Ms Lee says that looking in one's own backyard for future leaders should be the starting point.

"Such a strategy taps into a pool of people who have been immersed in the organisation's culture and have been part of delivering the strategy. At DBS we strongly believe in 'building our own timber' which is critical to the stability and sustainability of our business. Over the years, we have placed an emphasis on internal mobility, moving seniors to take on leadership roles in different parts of the bank," she explains.

Individuals at the bank who display consistently high performance and ability levels are identified at the start of each year as potential candidates to fill key roles. The potential of this group is discussed first at the management level, followed by the board to ensure that the successors identified have the ability to take on these roles.

However, some companies may have no choice but to consider external candidates depending on their life cycles and the industries they belong to. For instance, some organisations in fast-changing industries that are prone to disruption will likely have to look outside their ranks for executives with the necessary skill sets.

On the other hand, a company that enjoys monopolistic power, or is in a heavily-regulated sector with barriers to entry, will be in a better position to develop its future leaders from within. This is especially so if the company has a clear leadership development plan, and a worthy pipeline of potential CEOs.

Says Ms Goh: "Companies need to look within themselves to assess their needs at any point in time to assess what works best. There is typically no silver bullet, the best person for the job would never be the perfect person for the job."