

## Organizational Health - A Quiz for CEOs

This quiz is designed to help you understand how your leadership and management skills measure up against the requirements for CEOs in today's working world. Please answer the following questions based on how you would normally conduct yourself in each situation, not based on what you think the correct answer might be. This will allow you to most accurately assess your current leadership aptitude.

**1. Two members of your team are engaged in a passionate, heated debate about the direction of the company. The rest of the team is clearly uncomfortable with the exchange. You would:**

- a) intervene and help them achieve consensus
- b) let them continue as long as there are no personal attacks
- c) bring the debate to a halt and ask them to take it off-line

**2. At the last four staff meetings, you have reminded everyone about the importance of customer service, which is one of the pillars of your firm. Your employees good-naturedly tease you, saying that you're beginning to sound like a broken record. At the next staff meeting, you would:**

- a) unapologetically talk about customer service again, but acknowledge their joking
- b) move on to a new theme so that your employees don't lose interest
- c) ask them to stop joking about something so serious

**3. One of your employees makes a big mistake during a customer presentation. You don't have a chance to talk to her for a few days. You would:**

- a) confront her about the error as soon as you have a chance for a one-on-one conversation
- b) wait until the next formal performance review and discuss it then
- c) let the issue go unless you see it again

**4. Even after considerable counseling, one of your staff members is decidedly unwilling to open up to his peers and build strong working relationships with them. He is otherwise a strong performer. You would:**

- a) manage him out of the organization as quickly as is ethically possible

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- b) minimize his contact with the team
- c) do more coaching and counseling until he is ready to open up

**5. After initial market research and several meetings with your team, you are still not sure about which of three new logos to choose for the company. You would:**

- a) go back to the team have everyone vote on their favorites, then go with the winner
- b) make a decision and not look back
- c) do another, more in-depth round of market research

**6. Your business is struggling with three problems: rising overhead costs, management team dysfunction and declining employee morale. Which would you address first?**

- a) rising overhead costs
- b) management team dysfunction
- c) decreasing employee morale

**7. Employees in your firm ask you to do a wacky skit at the next all-hands meeting in support of a new company initiative. You would:**

- a) politely decline in order to avoid a potentially embarrassing situation
- b) suggest that a wacky skit may not be appropriate for a business meeting
- c) agree to take part and try to have fun with it

**8. Your firm is built upon the principles of invention and innovation. A customer approaches you about a project that would be extremely lucrative but neither inventive nor innovative, but your firm does have extra capacity. You would:**

- a) accept the project and adjust your firm's strategy/values
- b) accept the project, but make it clear to your employees that it is a one-time, off-strategy event
- c) reject it as it is out of alignment with your principles

**9. Your board of directors recently urged you to make an acquisition that resulted in a subsequent dip in your stock price. You are holding an all-hands meeting to address employee concerns. In that meeting, you would:**

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- a) accept full responsibility with no explanation
- b) accept full responsibility, but explain your decision in the context of your board's influence
- c) explain that it was really the board's decision

**10. A recent employee survey indicated that, although the company has been successful, employees feel unappreciated. You don't have time to do in-depth research, and you want to address the problem quickly. You would:**

- a) host an employee appreciation party
- b) initiate a new bonus program to reward hard-working employees
- c) have your management team sit down with employees to review the contributions they have made recently

**11. As CEO, you bring your employees together for your traditional annual meeting. Time is limited, and you only have the time to focus on one topic. You would:**

- a) present the company's revenue projections
- b) review the company's overall purpose and guiding principles
- c) unveil the new advertising campaign

**12. During staff meetings, one of your direct reports likes to keep his laptop computer open so that he can check email and do other work. As the leader of the meeting, this distracts you. You would:**

- a) ask him to close his computer to better focus on the meeting
- b) ask the team whether they want to adopt a rule about e-mail during meetings
- c) ignore the behavior out of respect for his different working style and discuss it at a later time.

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### **SCORING**

Assign each correct answer a value of one, and see how you scored on page 6.

### **ANSWERS:**

#### **1) Best answer: b**

This answer may be easy to identify, but it is hard to put into practice. Too often, CEOs are uncomfortable when their people argue, so they dive in and curtail the debate, either by taking it off-line, or by downplaying the differences of opinion. Unfortunately, the ability of an executive team to have a good argument around an important issue is one of the most valuable, and elusive characteristics of a great company.

#### **2) Best answer: c**

Repetition is one of the most powerful and underutilized characteristics of good communication from a CEO. However, too many leaders shy away from it because they get bored saying the same messages again and again, and because they want to avoid criticism, even the humorous kind. Ironically, most CEOs complain that employees do not remember or act upon the messages they deliver, and yet they are reluctant to repeat that message.

#### **3) Best answer: a**

This one is difficult to put into action too. The average executive does not enjoy giving an employee constructive or negative feedback. This is particularly true when there is a delay between the event that provoked the feedback and the opportunity to deliver the feedback. However, a great CEO will gladly “enter the danger” with a direct report knowing that this is the only way that the employee, and the company, can improve.

#### **4) Best answer: a**

As harsh as this may sound, it is the right decision. There is nothing more important to building a great company than establishing a cohesive executive team. And without trust, that is impossible.

#### **5) Best answer: b**

While it is difficult to know the right answer to this question without all of the particulars, more often than not a CEO who hesitates to make a decision is doing so for the wrong reasons. And when the

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decision is largely subjective, decisiveness is much better than certainty. Employees are more interested in having a clear decision made than they are interested in being involved in the decision itself.

### 6) Best answer: b

Almost every issue that a company confronts can be traced back to an unresolved issue or a lack of communication and cohesiveness at the executive level. Trying to address a more symptomatic issue like morale or finances is going to be fruitless if the executive team is not on the same page.

### 7) Best answer: c

As painful as it might be, a great leader is not shy about doing something out of his or her comfort zone if it is for the good of the organization. And while one need not seek out opportunities for doing so, when employees take the time to promote a key initiative, anything you can do to show your support will go a long way toward creating momentum in the organization.

### 8) Best answer: b

Even the most focused company will be tempted to take on business that is not core to its strategy. And while in most cases it is not advisable to give in to that temptation, it is okay to do so as long as it does not detract from more strategic activities. And just as importantly, employees need to understand that it is off-strategy so that the mission of the organization does not become accidentally diluted.

### 9) Best answer: b

Though it may seem nobler to accept responsibility unconditionally, it is important that your people understand how you arrived at a decision that did not work out. That does not mean you are shirking responsibility, but rather you are accepting responsibility for allowing yourself to be influenced, and for making the final decision. Having said that, it would be better to accept unconditional responsibility than to shift blame at all.

### 10) Best answer: c

Too many CEOs default to financial and more symbolic rewards when it comes to motivating their people. While these can be helpful, they cannot replace the need for genuine, job-related feedback about individual contribution. In fact, when that feedback is not present, throwing money and other symbolic rewards at employees can insult them and make things worse.

### 11) Best answer: b

As sexy as advertising strategy is, and as critical as revenue is, those topics can be communicated

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by executives in charge of marketing and sales. But no one can replace the CEO when it comes to re-committing to the company's guiding principles and central purpose.

### 12) Best answer: a

Most CEOs absolutely hate to do things like this. Most would prefer to overlook the situation entirely, or make a mild comment to the employee after the fact. The problem with waiting is that you avoid a great opportunity to make it clear to everyone on the team what you expect from them.

## RESULTS

### SCORE OF: 11-12

It's hard, if not impossible, to be a "perfect" CEO, but you've come darn close. Keep in mind that even Tiger Woods works hard to constantly improve his "game".

### SCORE OF: 8-10

As a leader, you're in good shape, no doubt. I'm guessing you have loyal employees that want to work hard for you and the business.

### SCORE OF: 5-7

You're entering unsafe territory. It's time to sharpen your skills or you may be in for trouble. I'm guessing you may suffer from one or more of The Five Temptations of a CEO:

Do you put your individual **status** over the results of the firm?

Do you choose **popularity** with your direct reports rather than accountability?

Do you value **certainty** when you make decisions, or do you recognize the value of clarity?

Do you choose **harmony** over productive conflict?

Do you choose to be **invulnerable** with your employees rather than taking risks and establishing trust?

Focusing on building trust with your team is a good place to start. Once trust is established, people feel freer to express their views and engage in productive ideological conflict. If all the opinions in the room are openly stated, a leader may step in and provide clarity. Once employees are clear on what needs to be accomplished, hold yourself and your team accountable. Finally, make sure you are constantly driving for organizational results, not personal acclaim.

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### SCORE OF: 4 OR LESS

You'd better start doing things differently. To help evaluate your leadership skills, consult The Five Temptations stated above. Organizationally, you may want to revisit the foundation of your company. For quick triage, focus on The Four Disciplines of a Healthy Organization based on book, *The Four Obsessions of an Extraordinary Executive*.

1. Build and Maintain a Cohesive Executive Team
2. Create Organizational Clarity
3. Over-Communicate Organizational Clarity
4. Reinforce Organizational Clarity Through Human Systems