Beware the CEO Bubble

Over the past few weeks, President Biden's difficult decision to withdraw from the presidential race played out across US—and even global—media. Until recently, journalists, political analysts, and other opinion leaders were raising a number of questions about who he was listening to, what information he was receiving, and whether the people in his inner circle were giving him a candid appraisal of the situation.

As this unfolded, I kept thinking about a topic I often focus on when I meet with new CEOs and other leaders around the world: **the** inexorable growth of the CEO bubble and what to do about it.

When new in the role, CEOs and other leaders are generally surrounded by people offering up frank views of the real situation, providing novel ideas and approaches as well as unfiltered views of past decisions. But over time, we often see more challenging views become quieter and constrained, as the dialogue subtly shifts to what the leader wants—rather than needs—to hear. The focus on the leader's facial expressions and moods (and how to avoid the bad ones) can rise to a form of cultural anthropology.

That is the CEO bubble, and the walls of that bubble tend to thicken over time. The result is that without proactive intervention, leaders are likely to be sheltered from the reality of a difficult situation at a critical juncture or until it's entrenched. That could be an underperforming business, a shifting market landscape, new competitors, or decreasing relative capabilities. It could also be internal dysfunctions, such as a loss in agility, organizational infighting, or departures of talent.

I don't know of a trick that makes the bubble disappear, but there are clear actions a leader can take to reduce these risks and make

the bubble membrane more permeable.

First, get the right team and the right tone surrounding you:

- Make sure you include people who will challenge you. Even if you make a decision that conflicts with their point of view, you'll know you've done so after thoughtful debate.
- When people stand up and express a different opinion, be sure to appreciate them—privately, but especially publicly. When they're right and you're wrong, find a way to celebrate them.
- Remember that you can't always be your best self. When you haven't been—when you've come across more sharply than you meant to, for example—bring it up with your team later. Admitting to vulnerabilities and showing that you value pushback even if it didn't seem that way in the moment will help people feel they can be honest around you.

And beyond your direct team, seek out unfiltered sources of information:

- **Engage with frontline employees** who aren't pre-vetted by midlevel staffers.
- Have direct dialogues with customers—not just the CEOs of customers, but the people using your product or service.
- Participate in peer communities with candid discussion forums. Find other CEOs, former leaders, or advisors whom you can raise sensitive issues with and who will give you an unvarnished point of view.

Breaking Through the Bubble

Is there anything you can do about the bubble if you're not the one in it? It can feel risky to speak up when others are silencing themselves. The best strategy is to find a way of communicating authentically and forthrightly—and in a style that allows the CEO to listen and be less defensive.

Picking the right setting can help. For some, a relaxed dinner; for others, maybe the golf course. I've known executives who use

humor incredibly well—anything that opens a CEO's eyes to an uncomfortable reality.

And what if none of that works? There are rare moments in a career when silence is equal to complicity and speaking truth to power requires taking on some personal risk. It's hard to pop the CEO bubble on your own. Joining forces with a few others can make an enormous difference in these difficult moments of truth.

And to be clear, the CEO bubble is not just a phenomenon among CEOs. All leaders need to nurture teams that can engage with the world as it is, not how we wish it to be. Organizational psychologist Adam Grant calls these teams "challenge networks." They're good for the leader—and for everyone being led.

Until next time,

Rich Lesser Global Chair

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