

ON PURPOSE®

CHIEF LEADERSHIP OFFICER

The Emergence of
A New Class of
Business Leader

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These four sample chapters are provided to give you a sense of the substance, style and storyline for *Chief Leadership Officer*. Because the manuscript remains a work-in-process please be aware that the first edition of the book will likely see changes and corrections.

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Prologue

Step into the future. You're running or maybe starting a business. Aside from the normal challenges and opportunities of business ownership and development, you're as unsettled as you are excited.

Aware of your situation, a business colleague introduces you to the first-known Chief Leadership Officer. A conversation ensues. Questions are asked and answered. A story centuries in the making is told. A relationship is built. An informed decision needs to be made:

Will you be a Chief Leadership Officer?

Chapter 1

Why Chief Leadership Officer?

The task of the executive is not to change human beings. Rather, as the *Bible* tells us in the parable of talents, the task is to multiply the performance capacity of the whole by putting to use whatever strength, whatever health, whatever aspiration there is in individuals.

Peter F. Drucker
The Effective Executive
1967

“Being a Chief Executive Officer is wrong for my business ... and wrong for me!”

I remember the exact moment I first put voice to this proclamation. It was at the 100th birthday celebration of Pops, my great-grandfather. At the time I was twenty-five. I couldn't tell you why being a CEO felt antiquated and dysfunctional for my business and me. It just did.

There was something beyond my youth leaving a bad taste in my mouth for saying I was an “executive,” as in Chief *Executive* Officer. Disdain had slowly welled inside me for what the position and my employees were requiring, dare I say, expecting of me. My CEO trajectory was rich with opportunity but seemingly marred with compromise to what I most treasured in my

life and person. At some level, it crept me out to realize who I was becoming as the CEO.

Today, at thirty-five, I can and will tell you why I am a Chief Leadership Officer, and how I got to this title. It took two years of investigation to psych out this more meaningful and satisfying way of being in life and in business. Now I've lived it for eight years. The precepts I'll share are just that—guidelines, not directives or a formula. You'll need to decide what's right for you.

Each and every business is different. Yet, there are commonalities and markers indicative of an organization led by a CLO, just as there are for CEO-run businesses.

I'm often asked, "What's the difference between a CEO and a CLO?"

Let's be clear, there's nothing inherently wrong or evil with a CEO-run business. In fact, many CEO-run businesses exhibit characteristics of CLO-led companies. This traditional system and style of management has been around for over a century. That's both its advantage and its disadvantage. It was tried and true in its day, but, for a variety of reasons, the sun is setting on that day.

The fundamental difference is in orientation. CEOs manage and "execute" a company by driving its people to make a profit for shareholders. CLOs call upon people to be leaders and profit makers—serving the greater good of

stakeholders. As Robert Frost might say, “And that has made all the difference.”

A Chief Leadership Officer commits to meaningfully and profitably integrating the following two broad missions:

1. 1. Position people to be leaders in their lives and work
2. 2. Position the business to lead in its chosen field

A CLO has a decidedly different posture from a CEO. A CLO has the head for profit of a business, the heart for service of a not-for-profit organization, the fortitude for commitment of the military, and the moral imperative of the church. The charge for “everyone profits” calls for mastery of management and leadership to integrate and produce such an abundantly positive outcome.

My story and the CLO precepts are meant to open your eyes, literally and figuratively, to an alternative way of leading an organization. So regardless of whether you currently run a business or aspire to lead one, you’ll have ample grist for the mental mill to grind as you decide if you want to be a person who runs or leads.

I never set out to be a business iconoclast. I knew there had to be a healthier, more whole way than operating as a CEO. I just wanted to benefit others and care for myself by doing right and by doing good while producing a fair financial profit.

In retrospect, I chose wisely. In the early days, I was a forerunner of a CLO. Now I am one of many CLOs. Individually and collectively, we're becoming known as men and women who are a consistent force for good.

Perhaps you'll want to join us?

How did this CLO approach come about? Remarkably, it was Pops, my then 100-year-old great-grandfather who guided me. During the last two years of his life he cajoled and coached me to blaze a trail into the frontier of leadership.

Chapter 2

2020 Hindsight

You can't connect the dots looking forward; you can only connect them looking backward. So you have to trust that the dots will somehow connect in your future. You have to trust in something--your gut, destiny, life and karma, whatever. This approach has never let me down, and it has made all the difference in my life."

Stephen Jobs
Co-Founder of Apple
1955-2011

In 2015 I was a 20-year-old college student born into a long line of business owners going back eleven generations. Seemed that I carried this incurably curated gene of independence. The creative act of an idea being conceived, birthed, and raised into a productive and reproductive reality called "a business" was simply irresistible. I felt called to this creative act called entrepreneurship and business ownership.

The business started when my best friend from high school and I were in college together. We complemented one another. He was technically astute and I was the business brains. He oversaw operations while I focused

on the marketing, clients, business administration, and finances.

Five years later when Pops turned 100 in 2020, I was the twenty-five-year-old CEO of a thriving small business employing twenty people with annual revenue of \$2.8 million. Several employees were friends from high school and college. We hired them to help out part time but as our client base grew they moved to full-time work with us.

The business was thriving but I wasn't. I was exhausted and stressed most of the time. I lived in a 24/7/365 swirl of activity. Endless projects, meetings, and copied email consumed my hours. The constant barrage of questions made me feel like a human search engine used by every manager and employee plus our clients. Oh, yes, clients — those people who enable us to pay the bills!

I was busy, but deeply dissatisfied with my level of productivity. Taking a shower was about the only time I could be alone long enough to think. Thoughts washed through my mind that turned into doubts that drained me with worries:

What was I thinking starting and running a business?

Was it the right decision?

Do I have what it takes to be a CEO?

Twenty people's livelihoods depend upon me to navigate the company to profitability so they have paychecks that provide food, shelter, and a family life. Carrying this heavy, ever-shifting load of responsibility as a CEO is what I signed up for. Having worked in both my father's and grandfather's respective businesses I saw firsthand the lay of the land. I thought I knew what I was getting into.

How can I grow this business to be an even better employer and give people a chance to earn more money and have better benefits?

Wow! What if I run this business into the ground?

What will happen to my friends and employees?

What about my clients? What will happen to them?

I felt compromised and lost in this process of managing the people, projects, finances, marketing, clients, and more. The business was running me, defining me, and forcing me to become someone I didn't recognize. I was typecast as the CEO so I tended to conform to the traditional role, attitudes, and expectations inherent to the position.

Who am I?

Why am I doing this?

Where is it all going?

The well-intended “advice” my father and grandfather offered were more platitudes and pep talks:

“Suck it up. What did you expect when you became a CEO?”

“It is all part of the process of learning to run a business.”

“When I was your age, I ...”

“Employees don’t want to work like they used to. So you’ve got to drive them, hold them accountable, and be willing to make the tough decision to fire them when they don’t get their work done as you want it.”

“Compartmentalize your personal life and business life. Keep them apart and your business will be better.”

“Don’t get too close to your employees. It is hard to fire friends.”

“Get the right people in the right seats on the bus.”

Was this what it takes to be successful?

Can I really dissociate myself from the business and the people?

What really matters anymore?

Hoping to gain some confidence and counsel, I joined a CEO peer roundtable group. Having a place to gain a bit of business education, share issues, and gain insights proved to be helpful with running the business. I built some solid friendships with my peers. I found a place where I could speak more freely.

To a large degree, however, my CEO peer group reinforced the mindset and methods my father and grandfather espoused. Ironically, this experience highlighted and further stirred my personal and professional dissonance with being a CEO.

Is it just me? Am I the one who doesn't get it?

Why do people need to be driven?

Doesn't everyone want to make a difference with his or her life?

Something was frustratingly off the mark. I was convinced it was me who was missing something. I read more books, talked with more business owners, attended more training, and hired more consultants and coaches. The harder and faster I worked to get to my destination the further away I would find I was from whatever I was looking for. I was overwhelmed with trying to produce a profit while managing projects, people, and a diminishing personal life.

A business consultant, Tom Farr, told me a joke, "Do you know why men drive four-wheel drive trucks?"

"Why?"

"So they can get lost further off the road faster." That joke was about me! That's exactly the way I felt.

Questions continued to blow through my brain.

Is my work my purpose?

Can I gain the world and keep my soul?

In light of my stockpile of unmet questions, imagine Pops at his centennial birthday party and innocently pulling me aside to ask, “Great-Grandchild, How’s that young business of yours coming along?”

“Fine,” I hollowly replied. I was primed to explode and Pops lit a match close to the fuse!

By the way, “Great-Grandchild” was Pops’ term of endearment for the gaggle of his great-grandchildren. The man was sharp as ever but keeping track of each of our names was a chore none of us expected of him. Calling us “Great-Grandchild” was an accepted family convention that graciously protected him from stumbling a great-grandchild’s name. This accommodation meant he was freer to interact with his third generation descendants with a lower risk of hurt feelings.

Pops was wonderfully kind, good humored, but tested and direct. Because of my geographic proximity and frequency of visits to see him he actually did know my first name. He would call me by name when he was feigning anger with me.

My preference was for Pops to call me “Great-Grandchild.” He was my only living great-grandparent. In fact, of my friends I was the only one who had a fully cognitive great-grandparent alive, let alone one with such an engaging personality and contemporary interest in me. He was the only person in the world who could call me “Great-Grandchild,” so I embraced the opportunity with the time he had remaining.

“Fine” was not an adequate response for Pops. Little got past him.

“Fess up Great-Grandchild! Something is amiss. What’s *really* going on?” Match to the fuse!

The fuse burned as I thought how best to respond. That’s when the charge detonated and I blurted, “Being a Chief Executive Officer is wrong for my business ... and wrong for me!”

The moment my guard was breached I kept talking. My pent-up inner dialogue of concern was like verbal shrapnel flying through the air at my great-grandfather. Every question spinning in my brain came forward. I needed this release. Blessedly, Pops was the right person to receive it.

What I couldn’t foresee then was this was the beginning of the return of my integrity as a person. My exclamation

would forever transform my life and business because now I could end being a poser and finally deal with the authentic truth of my convictions.

Rapidly recovering from my fireworks, Pops chuckled and dryly noted, “Sounds like Great-Grandchild needs a ‘Pops Talk.’ Come by tomorrow when all this cake and family are gone?”

“Let me check my availability.” Mimicking me, Pops raised his arthritic and weathered left hand to waist level. Pretending to hold a smartphone, he began gesturing with his right hand as if scrolling through a calendar, he said, “Wow! What do you know, the whole afternoon is free. How about 3:00?”

In the aftermath of the conversational carnage, Pops helped us both laugh all the while issuing an invitation to explore a serious matter. He cared enough to take a sincere interest in my fragmented situation and act upon it. What wasn't there to love about Pops?

Chapter 3

What Happened Next?

The delicate balance of mentoring someone
is not creating them in your own image,
but giving them the opportunity to create themselves.

Steven Spielberg
Movie Director

Pops had set the appointment and the agenda: Me! Of course, the next day, I had to clear my calendar to make the announced appointment work. Which I did. Meeting with Pops was of the utmost importance to the well-being of my business ... and me.

Pops was born in 1920 and worked alongside his father and grandfather in his family's precious metals smithing and jewelry business. Generations before them, one of my direct ancestors was an apprentice with Paul Revere. Yes, *that* Paul Revere made famous by Longfellow's "The Midnight Ride." Pops was an extension of that family line and tradition.

The life of an artisan crafting in gold and silver, however, wasn't in Pops' interests. He longed to produce on a grander more substantial, industrial scale. He never went to college for metallurgy or business but Pops knew metals, metalwork, and forging. Plus, he became an avid

reader of books on business and leadership ... more on that later.

By the time Pops was eighteen he had spun-off from the family business to create a specialty foundry and machine shop to supply the steel, mining, and manufacturing sectors with precision, custom-made parts. In time, he added small-run production capabilities in order to scale the business.

During World War II his foundry converted to the war effort. It grew to employ over 125 people. After the war, Pops retooled again for commercial application. His employment base stayed the same size even as his opportunities and income grew.

Neither my grandfather nor any of his siblings or their children, such as my father, took a professional interest in the dirty and physically demanding work of the foundry. Thinking ahead in terms of succession planning, at age 50, Pops set up one of the first employee stock option plans (ESOP) in the U.S. By the time he was 60 the majority ownership was held by the employees. At age 80 the foundry was 100% owned and operated by the employees. In 2010 at 90, Pops, the beloved and fully divested founder, finally retired from the foundry ... but not really.

On my visits to Pops, I frequently meet his former co-workers of all ages visiting with him. Whether it was the

CEO or the custodian, each sought his wisdom and counsel as if Pops were Yoda, the character from *Star Wars*. Pops was like a Jedi Master of Commerce and Relationships. Every encounter ended with an appreciative hug.

Pops loved and lived the adage, “Leaders are readers.” Some people are history, sports, or music buffs. Not Pops, he was an aficionado of business and leadership. The breadth and depth of his recall, knowledge, and insight was remarkable for anyone of any age.

He insisted we send him the latest books on technology, business, and leadership—a pattern of competencies I would soon come to appreciate. I say “we” because Pops was so curious and engaged in learning that he recruited several of us—his grandchildren and great-grandchildren—to screen titles for him. With our recommendation, he asked that we include a paragraph or two about the relevance of the book to leading our lives. Through what we affectionately called “Pop’s Book Club” he kept up with us and the business world plus we built a family identity and unity as siblings and cousins direct and removed.

Pops’ Book Club was a two-way street. Monthly he sent us a title to read along with his rationale for us reading it. My assigned task was to set up the videoconferences and send the invites to my kin. We would discuss his selected

book-of-the-month. We would banter about the pros and cons of each book and our take-aways.

Now I was sitting face-to-face with Pops in his apartment. It was just the two of us. He looked me in the eyes and said, “Great-Grandchild, share your story.”

I told him, “I having a growing negative association with being a CEO. My gut tells me something is wrong, really wrong, probably with me. Maybe I don’t really understand what it means to run a business. Maybe I can start businesses but I don’t have the right stuff to be the CEO of an ongoing concern?”

“Pops, you heard me yesterday at your birthday party. Questions are nagging at me. I’m so plagued with doubt that I’m distracted from running the business and caring for my team. Yet, the more I read and the more I talk with my peers, the more convicted I am that something is seriously wrong with me. I’ve got people counting on me and I don’t want to let them down.”

My admissions continued. Rhetorically I asked, “Can a business offer more meaningful expression and engagement instead of such wearing exhaustion?”

“If not a CEO, then what the heck am I to do and be?”

“Can I even afford such thoughts given that I have a business to run and people’s mouths to feed?”

Pops listened intently as I shared my discontentment and doubts about being a CEO. Finally, he leaned back in his favorite chair and asked, “Great-Grandchild, what if the problem isn’t you at all? What if your observations and reservations are accurate, but your conclusion about yourself is 100% wrong?”

That caught my attention. What he said next jarred my world: “What if the way business is being done today is busted beyond repair? What if ‘the system’ of doing business is so antiquated and broken that you’re simply the canary in the mine? What if what you really have is a problem in the ecology of commerce?”

“Whoa! Pops, are you serious?”

“Serious as a heart attack ... and at my age that’s serious.” His eyes twinkled with his humor.

Pops’ reference to the “canary in the mine” is an old coal industry early warning system for dangerous gases being present in a mine seam. Canaries are highly sensitive to methane and carbon monoxide, often found in mines. If the caged canary stopped chirping, the miners were alerted they might have a problem.

Pops was thinking that somehow I was more sensitive to the invisible dangers. I had no point of reference to assess the validity of his supposition. Anyway, why me?

I countered his theory: “Pops, what you’re proposing lays the blame on ‘the business ecology,’ which is something out of my control. Why focus on something beyond my control when I have plenty to say grace over within my business and my self? I’m in no position to evaluate ‘the business ecology’ with any practical measure of understanding.

“For my business, I just know in my heart that being a CEO is not sitting right for me. So much of the advice I hear and the business books and articles I read just don’t seem to apply to my situation. Sure, now and then I pick up useful nuggets of insights; but something is not right.”

Pops sat back in his chair, “After 100 years on this planet I reflect on my life in patterns like layers of sediment. Each layer builds upon the ones that came before it. It also buries the prior layers. What if you’re doing business on the edge of a emerging age? What if you’re sensing business differently? What if the signs are all around you but no one is reading them clearly?

“Great-grandchild, in my day we thought change was coming fast. We were in slow motion compared to your world today. Isn’t it possible that there are market and societal forces well beyond you yearning for release but stymied by antiquated attitudes and methods?”

I thought, *What an intriguing but totally useless premise for me right now.*

I politely but skeptically said, “It never dawned on me that I might not be the problem.”

Pops chuckled, “No so fast! I never said that you aren’t contributing to your challenges. You are! We all are, Great-Grandchild; but that’s a different matter. I’m simply suggesting you lift your nose from the traditional grindstone of running your business and invest a bit of time to look around. There’s an old expression that goes, ‘Sometimes, you can’t see the forest for the trees.’

“Can you concede that it is possible you might be suffering from such mental myopia? You’re so young and have so much to gain by simply being more aware of what’s happening on the planet beyond your immediate sphere of awareness.

“Your old Pops has been wrong before. From the benefit of my chair and the business and leadership books all you great-grandchildren send me and I read, I sense a pronounced shift is happening in society with profound implications to business.”

He appealed to my respect for him, “Humor your old Pops. What do you say we explore it together?”

More out of reverence than excitement, I conceded, “OK Pops! What I’m doing now isn’t helping much so let’s give it a try. A new perspective might be helpful.”

How could I say no to Pops? The implications of what he was saying were captivating. More to my self-interest, however, was the hope that I might not be so terribly unsuited for my work. What if he’s right? Could it be that I was sensing the early signals of compromised or fouling environmental issues in the business world?

Chapter 4

The Charge

There is no more neutrality in the world. You either have to be part of the solution, or you're going to be part of the problem.

Eldridge Cleaver
Writer and Political Activist
1935-1987

With confidence Pops added, “Not only are you likely not the primary source of the problem, you may be a big part of solution! Think about the implications of that for the rest of your career!” The glint in Pops’ eyes and his animated gestures revealed his mental processing and spirit of invention were fully engaged in this newly formed partnership.

He said to me, “Open up that fancy electronic gadget of yours. Record these comments and questions. I want you to ponder them and come back to me with your thoughts.”

I hit my recording app and in a true Socratic fashion Pops began, “Think about what I’ve seen in my lifetime! You are living in a very different society and working in a remarkably changed business environment from my great-grandfather, grandfather, father, and me. The same is true for your father and grandfather. Every generation faces new advancements in technologies that change the world—fire, the wheel, metal, the Gutenberg press and more recently cars, planes, computers, the

internet, the computer chip, the human genome, and so forth. The accelerating effect of technology is astounding in just my lifetime. I can't imagine what it will be in yours.

What's So Different About Society?

"So ask yourself, what's different about society? Where is it going? What's different about business? Do you have a sense of your unique time and place in the flow of history? How do you prepare?

"What if you are in the midst of a shift in business simply because there's a rebirth taking place in society? What if you're feeling the early contractions of a new age? How do you get ahead of the curve in order to leverage it for good and prevent the corrupt from abusing such a frontier of opportunity?

"From the shoulders of their ancestors each generation can choose to crap on, rest upon, or learn from their forefathers. Let me suggest that 'learn from' is the wholesome, essential ingredient for human advancement. Learn from our mistakes and build upon our lessons.

"Avoid walking blindly into the future with the assumption that your elders actually do know better. We may know better given our context and experience; but you have a different context and experience. Proceed respectfully but skeptically. You have to live your life in your lifetime. In this sense, your parents, grandparents, and I are not your chronological contemporaries.

“Take the long view. Separate the fundamentals from the fluff to right the wrongs as best you can. Figure out how you can borrow from the past, forge from today, and fashion for your future.

Why Does a Business Exist?

“What is the role of business in society? What is a business? Why does a business exist in a civilized society?

“What do people think is the purpose of a business? Do you reflect this same thinking; or do you have an understanding different from the popular culture?

“Because you’ve chosen a career in the business world, doesn’t it make sense that you stand on solid ground regarding these most basic of questions regarding your livelihood? Figure it out!

Are Leaders Born or Are They Made?

“You’ll hear people say, ‘Leaders are born, not made.’ Great-Grandchild, what if their view about leadership and people is wrong? Imagine what is possible in a team, company, or nation of leaders who come together and stay together for a shared purpose and plan.”

Pops’ mental wheels were rolling. He was animated. “Challenge the assumptions! Now get out of this old folks home and get back to me when you have something intelligent to share. Stop recording on your gadget. Anyway, can’t you see I haven’t finished my crossword puzzle yet? Go!”

Pops loved to solve mysteries and conduct experiments. He talked about the foundry as his business lab. Previously, I always assumed he used “lab” in terms of technology or scientific research and development. During our Pops Talks I realized that his entire business was his “business leadership lab” for organizational development. Pops was constantly innovating, like doing one of the first ESOPs.

From my year 2030 retrospective, I suspect Pops had a highly developed working theory on business leadership. At 100, however, he lacked the business facilities or “lab” to conduct his experiments.

Fortunately for me, my issues played straight into his hypothesis. I was both a willing research assistant and I had the business “lab” where we could test the effects. We were both looking for answers to the same problem and conditions. He needed to do it vicariously; and I need to do it in practice.

Thus began our regular weekly coaching sessions. Our conversations or Pops Talks were structured to keep us focused. These became the most important meeting of my week.

Bending down to where he was sitting, I gave Pops a hug. Leaving his retirement home, my feelings of doubt and lostness were dulled with a sprinkling of hope and, frankly, the excitement of a new adventure with my Pops. Even better, I was now dealing with instead of denying my true self. Working from a place of such raw reality was needed refreshment.