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## *Corporate Communique . . .*

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ROBERT DENNEY Associates, Inc.

*Management, Marketing, Strategic Planning*

June, 2009

### **THERE IS A BIG DIFFERENCE BETWEEN BEING #2 AND #1**

“When you’re the CEO, everything you say and do  
is so amplified you have to be very careful.”

*Former COO who became CEO*

The experience of the CEO quoted above shows why the gap between being Chief Operating Officer and Chief Executive Officer in a company or organization is often far bigger than many people realize. CEOs not only perform different tasks than their COOs – who typically focus on running operations – but they have to act differently too. That means the two roles often require very different skills and personality traits.

The talents that make for a successful COO – like scrupulous attention to detail – can get in the way when a person becomes the “top dog”. CEOs must look at the big picture and strategize, not micro-manage.

CEOs and COOs can, of course, have traits in common. Both positions call for a high level of leadership skills. But executives who have moved up from COO to CEO talk about the challenges in getting accustomed to the new position. Long-time chief operating officers say they are used to working behind the scenes and submerging their egos, which focuses them inward on the company’s problems and on implementing strategies.

On the other hand, the Chief Executive Officer should be setting the strategic direction and also be serving, in most cases, as both the internal and external spokesperson. The latter role often involves developing high level relationships with key customers and clients, something many COOs are not required to do.

When shareholders, the Board or the CEO consider selecting a new COO, they may have to decide whether they want someone who is a solid operations specialist or a person whom they eventually want to become #1. If they want a COO who has the drive to eventually become CEO, they may find themselves selecting a person who doesn’t have the patience to remain #2 for very long. Or they may find that the COO they are considering doesn’t want to become #1. There can also be another scenario where the shareholders or Board brings in an outsider as CEO because they feel the current COO is not the right person to become #1 – but the COO doesn’t agree with the decision and sooner or later leaves.

Assembling the top management team is often a challenging task – particularly at this time – 1` because there is a big difference between being #2 and #1.

*Robert Denney Associates Inc. provides management, marketing and strategic planning services to professional firms, corporations and non-profit organizations throughout the United States and parts of Canada. Reports and discussions of other timely issues are posted on our web site, [www.robertdenney.com](http://www.robertdenney.com).*

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