

# What Next?

## How CEOs Deal with the Challenge of Leaving the Top Job

By ALAIN DENIAU and DAN CULLEN





**The role of CEO is both privileged and demanding – there’s little time to think about what lies ahead. So how do corporate leaders cope when stepping down, from loss of status to finding a new purpose in life? Here, five former CEOs share their perspectives.**

The privileged position of a chief executive officer (CEO) brings many benefits and rewards. But it can also be isolating and intensely demanding. Research carried out by global executive search and leadership consulting firm Heidrick & Struggles found that only 13 in every 1,000 CEOs of publicly listed companies move on to a comparable position. So where do they go – and how do they cope with the transition?

“Stepping away from an all-encompassing role can be profoundly unsettling at first but the process of renewal can begin quickly as well,” says Mr Nils Andersen, former CEO of Maersk Group. “I think all CEOs who leave such a demanding job go through a sort of detox phase.”

It can be hard to accept that being productive does not mean being busy all the time.



Nils Andersen

“It’s very important you don’t fall into the trap of taking on five or six or seven projects just to feel busy,” says Andersen.

It could also be tempting to postpone the final goodbye.



Chaly Mah

Mr Chaly Mah, for example, was invited to extend his tenure or, at least, take on an advisory role, when he retired as CEO of Deloitte Asia Pacific. This was hardly surprising given the amount of experience and knowledge he had gained in his 38-year career with the firm. But once he had made the decision, he settled on a clean break.

“If I’d hung around, I don’t think it would have been fair to the new managing partner,” he says. “An advisory role could have been enjoyable but I believe you need to respect the new team and let them get on with their own agenda.”

“If you plan your succession early, this should be a seamless process. You should also try to remember you are no longer in charge but, if your team needs help, then they should feel able to call.”

## Planning well ahead

The demands of the job leave many CEOs with little time to plan ahead – but Mr Lim Soon Hock was equipped with a three-stage career plan he had formulated back during his university days.



Lim Soon Hock

“Plan A was to work for others and for money,” he says. “Plan B was to transition to my own work once I had helped to build a large-scale business. Plan C is to continue to do more for charity and the church.”

The plan has played out. After helping to build Compaq from a US\$50 million business to a US\$1 billion business, Lim stepped down in 1996 to create PLAN-B ICAG, a boutique corporate advisory firm. He also has close to 20 boards in his portfolio including government agencies and not-for-profit organisations as well as publicly listed and private companies.

“Many people who have built large companies and have managed large teams have a lot to share,” he says. “I find this rejuvenating, accelerating and rewarding.”

## Joining a board

Traditionally, CEOs of listed companies have extended their careers by serving as non-executive



Wong Su-Yen

directors (NEDs), where they can bring their management experience to a governance role.

Ms Wong Su-Yen, who now chairs Nera Telecommunications and serves on a number of private, listed and not-for-profit boards, including MediaCorp and Yoma Strategic Holdings, found this transition relatively seamless.

“I had been CEO of the Human Capital Leadership Institute for nearly three years when I decided to move on,” she says. “By then, I already had several independent non-executive director roles so this provided an opportunity for me to increase my portfolio.”

Andersen, whose board positions include chairman of AkzoNobel, Salling Group and Faerch Plast A/S, made the decision to join the board of Unilever while he was still a CEO.

“I think the company is interesting and I thought it would be a useful experience and good

preparation for a possible future career on boards,” he says. “As a CEO, you go to all the board meetings, but it’s a different sort of priority.”

When Lim sits on a board he starts by putting himself in the shoes of the CEO.

“I put a lot of emphasis on empathy,” he says. “I will provide my advice but the CEO makes the final call.”

Mah, who sits on a number of commercial and public sector boards and chairs Netlink NBN Trust, Singapore Tourism Board and the Singapore Accountancy Commission, agrees that it is important not to slip into a directive approach.

“On the board, your job is to provide oversight, guidance and expertise, not management,” he says.

### Going it alone

Mr Philip Forrest has developed a successful boardroom career – he’s an independent director on several commercial and nonprofit boards as well as a council member of SID. But, when he retired from his position as ANZ’s Head of Asia, his first aim was to establish his own business.

“I had six months with the company after I’d made my decision and I started to think about the consulting activity I wanted to develop. That was easy,” he says.

“The next six months, when I was alone at home, was much more difficult. I was so used to having someone to make my appointments, my flight bookings – even my coffee – I suddenly felt very much on my own. I was concerned about loss of status and began to doubt my own competencies



Philip Forrest

– whether I’d be able to maintain and expand my networks without having a big brand behind me. Then I won my first clients and was invited to chair a not-for-profit organisation and it all became rather positive.”

### A new-found freedom

Once she had relinquished her CEO role Wong quickly decided she had no desire to take on another management role.

“I’m happy with the level of professional engagement my current portfolio offers,” she says. “The diversity of the NED roles is intellectually stimulating, and I am enjoying the entrepreneurial challenge of building my own company as I increase my influence as a global speaker and thought leader. While I am no less busy than before, I certainly have more flexibility in terms of how I manage my time.”

Mah still travels about 20 times a year, about half of that for business, but now feels about 50 per cent of his time is his own. And, while most of Lim’s days still run from 6 am to 10 pm, he says

## 5 Tips for Moving On



**1** Tell everyone you're taking a sabbatical to give yourself time to think and make choices.



**2** Accept that it takes time to adjust from an all-consuming job – don't grab the first opportunity that comes along.

**3** Build and maintain your networks.



**4** Don't be surprised if you experience feelings of uncertainty and self-doubt.



**5** Give back. Many retired CEOs find fulfilment through philanthropic work and/or mentoring other senior executives and startups.



the big difference is that when you are on your own, you have the freedom to choose what you do. For him, this includes contributing regularly to *The Business Times*' "Views from the Top", lecturing at National University of Singapore as an Adjunct Professor and publishing four books along with corporate advisory work, board positions and public and community service.

"I believe each of us can have an enriching, fulfilling and significant second-half life in our own unique way," he says. "It can even be better than the first half – a choice we can make, or an aspiration we can seek to achieve."

Free from the imposed discipline of corporate life, Forrest was surprised by how easily he was able to maintain an organised schedule while working at home.

"I was enjoying my new opportunities and challenges as well as the freedom, so it wasn't a strain to start early and put in a solid day,"

he says. "Eighteen years later I still work mostly from home, and I'm happy with my productivity. Of course, I'd go crazy if I didn't have a bunch of external appointments and networking occasions to balance the homework."

He feels his career has had a natural flow, from joining a big company at a junior level through more senior and consulting roles to board positions.

"In retrospect, I think each change happened at about the right time for me," he says. "So far so good..." ■

*Nils Andersen was originally interviewed for "Leaders in Transition: Perspectives on Leaving the Top Job", published by Heidrick & Struggles in May 2018.*

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