0. Which year did you start as CEO? (Let the CEO select if several applicable CEO jobs).

*We start with theme Alignment & Governance*

Theme 1 – Alignment & Governance

Alignment

1. Please describe the 2 most important actions performed by the owner representatives that contributed to successful trust & alignment between the owner representatives and you as CEO (alignment regarding critical objectives, business plan and way of working together)?

**1: Choice of chairman of the board 2: Unconditional support i.e. You know that you have the trust of the owner regarding your judgment, ability to assess the situation, and that they will not meddle in things.**

2. Please provide 2 specific suggestions for how the owner representatives could have acted to even further strengthen trust & alignment between the owner representatives and you as CEO?

**No.**

3. Imagine that you responded to the following question 6 months into your CEO assignment – how do you score the degree of trust & alignment between the owner representatives and you as CEO regarding critical objectives, business plan and way of working together – on a 10 grade scale where “3” is poor, “5” is ok and “7” is good?

**100%**

4. If score <7, Which 2 key factors explain the score?

5. Which 3 key factors or actions would have improved the score to 9?

Competence

6. Please describe the 2 most important contributions by the owner representatives on the theme of business-critical knowledge & competence (in the shape of competencies, methods, people etc.)?

**1: If you really want to have your fingers in the soup then you need to be really good in the substance. The CEO hates nothing more than an owner that spends 45 minutes reading a report and then are an expert on the topic. PE can be bring competence in the field of governance, finance, M&A as well as choice of CEO and board composition.**

7. Please provide 2 specific suggestions for how the owner representatives could have made even stronger contributions on the theme of business-critical knowledge & competence?

**1: It is important to understand the basic dynamics of the company 2: Understand the ability of the business to leverage. PE has a favor for leverage, and sometimes do not account for the fact that some businesses are already very leveraged.**

8. Imagine you responded to the following question 12 months into your CEO assignment – how do you score the contribution of business-critical knowledge & competence from owner representatives on a 10 grade scale where “3” is poor, “5” is ok and “7” is good?

**9**

9. If score <7, Which 2 key factors explain the score?

10. Which 3 key factors or actions would have improved the score to 9?

Governance

11. Please describe the 2 most important contributions by the owner representatives to ensure an effective governance model, i.e. for performance management of the company and its business plan?

**1: A chairman of the board that is well-versed in governance.**

12. Please provide 2 specific suggestions for how the owner representatives could have made even stronger contributions to ensure an effective governance model?

**1: Owner should not directly be imposing governance; it should come from the chairman of the board and the board.**

13. Imagine you responded to the following question 12 months into your CEO assignment – how effective is the overall governance model on a 10 grade scale where “3” is poor, “5” is ok and “7” is good?

**9.**

14. If score <7, Which 2 key factors explain the score?

15. Which 3 key factors or actions would have improved the score to 9?

*Now theme 2 of 4 - Ambition & Priorities*

Theme 2 – Ambitions & Priorities

16. In your first business plan as CEO of the private equity owned company – what is your view of the overall ambition level regarding financial & strategic targets?

(i) Too low targets

(ii) Somewhat too low targets

**(iii) Targets at the right level**

(iv) Targets were somewhat over-ambitious

(v) Targets were clearly over-ambitious

17a. Please provide short motivation to your answer in question 16?

**We have a hands-off PE and thus the management team were given the freedom to set the business plan’s ambition level.**

17b. Roughly, what was the target for EBIT increase for the first 3 years in the business plan?

(i) EBIT + 25 % first 3 years

(ii) EBIT + 50 % first 3 years

(iii) EBIT + 75 % first 3 years

(iv) Double EBIT first 3 years

(v) EBIT should more than double first 3 years

(v) Other 3-year EBIT target – describe briefly

**I entered towards the end of the holding period. I had more of a get your shit together type of mandate.**

18. Please describe the 2 most important success factors regarding the process of developing the financial & strategic ambition level of the business plan?

**1: Understand the ability of the business and its true potential. 2: Understand the way in which the business best contributes equity value; become an expert in the qquity maximization formula for the business.**

19. Please provide 2 specific suggestions for how the development of the ambition level could have been improved further?

**Nothing.**

20. In your first business plan as CEO of the private equity owned company – what is your view on the number of key initiatives defined in the business plan?

(i) Too few key initiatives

**(ii) Well balanced number of key initiatives**

(iii) Somewhat too many key initiatives

(iv) Too many key initiatives

21. Why did you end up with too few or too many key initiatives (depending on answer in q20)

22. What were the implications of too few or too many key initiatives (depending on answer in q20)

23. How many “mission-critical” initiatives (or key themes / focus areas) were part of your first business plan?

(i) 1-2 mission critical initiatives

**(ii) 3-5 mission critical initiatives (3,4)**

(iii) 5-7 mission critical initiatives

(iv) 8-10 mission critical initiatives

(v) 10 - 15 mission critical initiatives

(vi) >15 mission critical initiatives

24. Which were the 2 most important success factors to ensure a clear priority of the “mission-critical” initiatives in the business plan?

**1: Understand what drives equity value. 2: Understand hygiene factors that do not necessarily generate equity value but if they are ignored may destroy equity value.**

25. Please provide 2 specific suggestions for how the process of achieving a clear priority of the key initiatives could have been even better?

**Nothing.**

26. How what you rate your first business plan on a 10 grade scale with regards to ambition level *and* clear prioritization of key initiatives? where “3” is poor, “5” is ok and “7” is good

**9**

27. If score <7, Which 2 key factors explain the score?

28. Which 3 key factors or actions would have improved the score to a strong 8 or 9?

Theme 3 – People & Mobilization

29. In which ways did you secure strong organizational ownership for the business plan´s objectives and key initiatives – describe the 2 most important actions?

**1: Using a bottom-up approach in which all layers of the organization are involved in order to empower the employees.**

30. Please provide 2 specific suggestions for how you and the top management team could have ensured an even stronger organizational ownership for the business plan initiatives?

**1: The challenge of a bottom-up approach is that it requires a fair amount of trust in the organization and it usually takes time for the results to be visible. However, it is worth it. Classic Mckinsey type strategy implementation projects are often top-down and done in 6-12 months, but once the consultants leave, usually nothing has really changed**.

31. Imagine you responded to the following question 12-18 months into your CEO assignment – How strong is the overall ownership for the business plan´s objectives and key initiatives among the top 10% of management – please score on a 10 grade scale where “3” is poor, “5” is ok and “7” is good?

**8**

32. Which 3 key factors or actions would have improved the score to a strong 8 or 9?

33. Imagine you responded to the following question 12-18 months into your CEO assignment – How strong is the overall organizational ownership for the business plan´s objectives and key initiatives – please score on a 10 grade scale where “3” is poor, “5” is ok and “7” is good?

**8**

34. Which 3 key factors or actions would have improved the score to a strong 8 or 9?

35. After 12-18 months into your CEO assignment; to what degree did you have your “dream-team” - i.e. the right person in the right place regarding the 5% highest managerial positions?

(i) The right person in the right place for >90 % for the 5% highest managerial positions

(ii) The right person in the right place for 80-90 %

(iii) The right person in the right place for 70-80 %

(iv) The right person in the right place for 60-70 %

**(v) The right person in the right place for 50-60%**

(vi) The right person in the right place for <50 % for the 5% highest managerial positions

36. How could you have acted to better or faster ensure the right person in the right place for the top 5% managerial positions – top 2 suggestions?

1: We should have acted earlier but that was not in my hands. The owner and the board of directors should have done this earlier in my case.

Theme 4 – Implementation & Results

37. How did you secure speed & pace in the development and execution of the business plan – please describe the 2 most important factors or actions?

**1: Dedicated resources i.e. having a head of BMO that is dedicated to make things progress. 2: Viewing internal communication as an investment rather than a cost, and giving it as a big of a budget as external marketing. Your internal customer for strategy implementation is your employee, and this requires giving them great attention. We used all means to achieve this e.g., daily newsletters, podcast, posters. Be creative.**

38. What could you have done even better to secure speed & pace in the development and execution of the business plan - top 2 suggestions?

**1: Spend even more time with middle management because where that is where the magic happens.**

39. You get this question 18 months into your CEO assignment – How strong is the speed & pace in the execution of the business plan; please score on a 10 grade scale where “3” is poor, “5” is ok and “7” is good?

**9**

40. If score <7, Which 2 key factors explain the score?

41. Which 3 key factors or actions would have improved the score to a strong 8 or 9?

42. In which ways did you secure the organization’s success in implementing the mission-critical initiatives in the business plan– please describe the 2 most important factors or actions?

**1: Rigorous and transparent follow up in all organizational layers. 2: Helping the entire organization understand why certain initiatives and indicators are important. For example, I thought that everyone in the company needs to understand return on capital employed (ROCE). Owners thought I was crazy for trying this, but I told them that they were underestimating the intelligence of the average human being.**

43. What could you have done differently to enable even stronger organizational success in implementing the business plan - top 2 suggestions?

**1: Fostering empowerment by pushing down decision making in the organization even for difficult strategic decisions. 2: Leading by example.**

44. You get the following question 18 months into your CEO assignment – How do you score the implementation success of the business plan’s key initiatives; please score on a 10 grade scale where “3” is poor, “5” is ok and “7” is good?

**8.**

45. If score <7, Which 2 key factors explain the score?

46. Which 3 key factors or actions would have improved the score to a strong 8 or 9?

47. Which were the top 2-4 mission-critical initiatives in the business plan to drive absolute EBIT growth – select from the following (read all of them quickly 1-2 times)?

**1: Turn-around / restructuring**

48. During your last year as CEO prior to the COVID -19 crisis – what was the annual organic EBIT growth?

(i) Double digit % positive organic EBIT growth

(ii) Single digit % positive organic EBIT growth

(iii) Flat / zero organic EBIT growth

(iv) Negative organic EBIT growth

49. If you could do your CEO journey all over again from day 1 – what would you have done slightly or entirely differently to ensure an even better success – 2 specific examples?

**1: Having an initial conversation with the owners about their intentions and exit strategy for the company as this fosters alignment and trust. 2: Replaced some people earlier.**

50. Lastly, our conversation has covered best practices and lessons learnt in order to succeed as a CEO in a private equity context – on that theme – which are your top 3 specific advice to an incoming CEO who is new to the private equity context?

**1: Understand the strategy, the profile, and the inner logic of the PE. What is their thing? What is it that really do? We often fall into the trap that every PE is the same animal which is not the case. 2: Ensure that you have a good chairman of the board in terms of chemistry, trust, and values. 3: Make sure that you are 100% of what your mandate and limits are, and within those limits whip the hell out of the business; You will be fired one day anyway so take your place and make sure that you maximize your business.**