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On Strategy in the C-Suite

CHIEF EXECUTIVE & CHIEF STRATEGY OFFICERS: WHO IS IN CHARGE OF WHAT?



BETWEEN STRATEGIZING THE EXECUTION AND EXECUTING THE STRATEGY

December 29, 2022

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If the C.E.O. golden letters of corporate strategic leadership require no introduction, the same cannot exactly be said for the C.S.O. nascent nobility letters of the Chief Strategy Officer... and the various business cards semantics under which they have been enriching executive leadership teams such as Chief of Staff, Head of CEO Office, Executive Vice President Corporate Strategy, Chief Transformation Officer, Head of Corporate Development, or Strategic Planning Director, just to name a few.

Similarly, there is no doubt on the CEO's ultimate accountability as Strategist-in-Chief and on the weight of his rationale for corporate performance before the board, the customers, the employees, the investors, and the world at large. Nevertheless, we believe many people tend to forget that the C.E.O. middle letter also highlights the CEO's ultimate accountability as execution leader.

Therefore, what should CSOs' mandate be, considering CEOs' dual strategic and execution leadership responsibilities? How should the CSO position himself vis-à-vis the CEO if this latter acts as a combined *Execution & Strategist-in-Chief*? Vice versa, what should CEOs delegate to this now clearly identified —and rising— C-Suite executive? Should CEOs transfer part of their power to this new breed of strategic lieutenants, and where? Are CSOs just an extension of CEOs' strategic brain, and in which capacity?

In a nutshell, *“Ladies & Gentlemen CEOs & CSOs, between strategizing the execution and executing the strategy, who is in charge of what?”*

We believe CEOs and CSOs should operate as a Strategists Duet at the helm of the firm's destiny with clarity of purposes, mandates, and accountabilities according to the type of decisions to make, actions to undertake, and dialogue to initiate.

To better understand the ins and outs of the CSO role and its relative positioning vis-à-vis the CEO, we will first sketch the contours of the strategic playing field in which they both operate. We will then cut through the diversity of CSOs' business cards semantics, roles and responsibilities by categorizing them according to their own *strategic suits* and to the strategic challenges they help CEOs and companies overcome. Also, we will see how CSOs distinguish themselves from their C-Suite counterparts. Finally, we will share what we believe lies ahead for this new breed of C-level business partner.

CEOs' & CSOs' INTERNAL "6x4x4" STRATEGIC PLAYING FIELD

We see CEOs as the ultimate strategists of the firm i.e., six-dimensional thinkers bringing strategy to life through a four-phase continuum of strategic activities across the four strategic levels of the firm.

Similarly, we believe CSOs should embody these strategic leadership skills in a distinctive, value-added manner that meaningfully completes CEOs so that they both jointly operate as a strategic leadership duet at the helm of the firm.

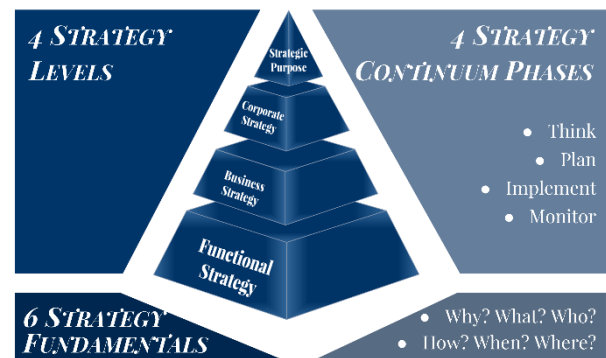
Essentially, these six-dimensional matrix and continuum of strategy respectively refer to the six fundamental questions on any strategist's agenda and to the strategy-making process to move from thinking and decision to action and results, across the four levels of strategy.

THE SIX FUNDAMENTALS OF STRATEGY

Regardless of the complexity or sophistication of the framework CSOs rely upon, strategy definition universally comes down to answering six quintessential questions.

The "***Existential Why?***" of the Strategic Purpose of the Firm which we define as the synthesis between the firm's strategic ambitions and societal aspirationsⁱ.

The 6-by-4-by-4 Strategist



Source: The M'Poyo Consulting Group

The "***What?***" of the Value Proposition. In a world where competition goes beyond products and services definition, answering this question strategically imposes to define the type of functional, emotional, experiential, and societal value your firm puts on the table for its customers.

The "***Who?***" of the Client to Serve. This seemingly obvious strategic imperative of client clarity raises the underlying, broader—but sometimes overlooked—question: "***What problem do you aspire to solve, and for whom?***"

The "***How, When, and Where?***" of the Infrastructure. These questions relate to the firm's value chain and underlying assets utilized for the value proposition delivery.

Having internalized this 6-dimensional mental map, CEOs and CSOs are only one continuum away from their well-crafted strategy.

The Strategy-Making Process



Source: The M’Poyo Consulting Group

THE STRATEGY CONTINUUMⁱⁱ: A LEADERSHIP DIALOGUE FROM INSIGHTS TO RESULTS

As a matter of fact, there is no “*strategy definition vs. execution*” dichotomy. In essence, strategy is the dynamic outcome of both a dual process and a dialogue.

Indeed, we see the strategy-making process as a continuum from the insights of strategic thinking to the results of strategic implementation.

Beyond that, strategy permanently results from a leadership team decision-making process which entails a strategic dialogue about the results to achieve and the operational and organizational alignment to achieve them.

Strategic Thinking, the “**Core DNA of Strategy**”, pursues two objectives. First, it aims to define —or review— the firm’s strategic purpose and ambitions, and to formulate the overarching strategy that best addresses its six fundamentals.

Second, it aims to translate that strategy into key corporate value drivers and differentiated performance indicators determining each business’ and function’s contribution to the firm’s strategic purpose and overarching objectives.

Strategic thinking is grounded in the analytics of the firm’s outside and inside worlds which provide key elements to initiate the strategic dialogue at executive level.

Strategic Planning aims to translate the firm’s strategy into a plan of strategic initiatives across the firm’s businesses, markets, geographies, and functions.

More than a once-a-year process, strategic planning epitomizes the continuum character of strategy by linking strategic thinking on one hand, and strategic implementation and monitoring throughout the organization on the other hand.

Finally, strategic planning can facilitate and significantly enhance the quality of

the strategic, multi-stakeholders dialogue about the operational feasibility of the firm's strategy by considering different time horizons in line with the industry dynamics and by letting the long-term strategic conversations prevail over the short-term, strictly financial ones.

Strategic Implementation represents not only the day-to-day strategy execution but also the implementation of key strategic initiatives through projects.

Strategic Monitoring covers strategic, societal, financial, and operational performance monitoring through reporting.

Here also, the strategic dialogue proves critical by discussing the management information produced, and by identifying the right courses of actions according to the development of the firm and the market conditions.

THE FOUR STRATEGIC LEVELS OF THE FIRM

These four levels represent the final dimension of CEOs' and CSOs' "6x4x4" strategic playing field.

For most of the six decades since the emergence of strategy as a management discipline and since the rise of corporate strategy merely a decade later, firms have been strategizing at corporate, business, and functional levels.

Consequently, the inherent challenges to portfolio strategy and corporate center strategy at corporate level, to business model strategy at business level, and to strategic alignment of support functions at functional level are not unknown territories for C-level executives although crafting one's enterprise strategy remain a complex endeavor.

Today, strategic purpose has become the fourth level strategy of the firm that must guide all corporate-, business-, and function-level strategic decisions.

Ultimately, the superposition of the evolving multidimensionality of the business landscape, firms, and stakeholders, on the six-dimensionality of CEOs' strategic lens and firms' four strategic levels has made CEOs' internal strategic playing field more complex.

This has made the navigation through the *Think-Plan-Implement-Monitor* strategic management cycle a navigation in highly troubled waters. By so doing, it has provided a strong rationale for the reduction of the burden on CEOs' strategic shoulders and for the reliance on CSOs' support.

On the top of the iceberg, this raises the issue of the definition of CSOs' mandate. Beneath the surface, this calls for clarity on the activities to perform to make CSO the best 'business partner' for the CEO.

THE FIVE MANDATES OF THE CSO'S DISTINCTIVE BUSINESS PARTNERSHIP

CSO, DISTINCTIVE BUSINESS PARTNER

CSOs distinguish themselves from their C-Suite counterparts by their generalist character.

Indeed, unlike their C-level colleagues who are functional specialists, CSOs' core functional expertise should mirror and complete CEOs' strategic leadership and general management skills. Consequently, CSOs are expected to work in direct complementarity with CEOs—in strategic duet—on top of their close cooperation with senior executives throughout their firms.



THE FIVE CSO MANDATES

We see four CSO mandates inscribing themselves in our strategy continuum framework according to the scope and the nature of the strategy work performed.

We have identified these mandates as the *Strategic Alchemist*, *Strategic Advisor & Communicator*, *Strategic Planner*, and *Strategic Operator* on top of which we see a fifth one resulting from the combination of at least two of these CSO mandates.

Strategic Thinking Mandates

The Strategic Alchemist. A direct extension of the CEO, this is the strategist role by excellence. In this capacity, the CSO's prerogatives closely match those of the CEO.

As *Strategic Alchemists*, CSOs contribute meaningfully to the (re)definition of the firm's strategic and societal DNA. In other words, CSOs define—or review—the firm's strategic purpose and ambition, and translate them in a differentiated manner at the various levels of the firm. In this capacity, CSOs have the discretionary power to engage the firm strategically.

Typical *Strategic Alchemists* roles include:

- Chief of Staff
- Head of CEO Office
- Vice President Corporate Strategy

The Strategic Advisor & Communicator. In this capacity, CSOs primarily support C-Suite and Board-level decision-making on the firm's most strategic challenges. Fundamentally, this role is analytical.

The Chief Strategy Officer

FUNCTIONAL SCOPE	CEO Extension	Strategic Alchemist	Strategic Planner
		● Chief of Staff ● Head of CEO Office ● Vice President Corporate Strategy	● Director Strategic Planning ● Head of Financial Planning & Analysis
	Strategy Support Function	Strategic Advisor & Communicator	Strategic Operator
		● Head of Internal Consulting ● Head of Corporate Development, M&A ● Head of Strategic Communication	● Chief Transformation Officer ● Chief Innovation Officer ● Head of Project Management Office
		Strategic Thinking	Strategic Alignment
STRATEGY WORK			

Source: The M'Poyo Consulting Group

As *Strategic Advisors*, CSOs help CEOs gain clarity and understanding, and facilitate CEOs' decision-making through analyses, insights and strategic options generation, presentations, and workshops facilitation.

As *Strategic Communicators*, CSOs help articulate internal and external communications around the firm's strategy, towards the employees or the investment community for instance.

Typical *Strategic Advisor & Communicator* roles include:

- Head of Internal Consulting
- Head of Corporate Development and M&A
- Head of Strategic Communication

Strategic Alignment Mandates

The Strategic Planner. In this capacity, CSOs lead the strategic planning process, yet we recommend leading it with CFOs' support. Indeed, although our advisory work has led us to observe that the Strategic Planning Function is generally located in the Finance Function, strategic planning excellence recommends a leadership and governance structure establishing strategists as the ultimate accountable process owners, with the '*co-pilot*' support of the Finance Functionⁱⁱⁱ.

Typical *Strategic Planner* roles include:

- Strategic Planning Director
- Vice President Financial Planning & Analysis (FP&A)

STRATEGIC ANGLES

The Strategic Operator. In this capacity, CSOs lead the implementation of the key strategic initiatives ‘on the ground’ aimed at changing the trajectory of the firm. In essence, it is the most operational of all CSO mandates and it puts a great emphasis on project management, considering the implementation of initiatives occurs through projects.

Typical *Strategic Operator* roles include:

- Chief Transformation Officer
- Chief Innovation Officer
- Head of Project Management Office

Super Mandate

The All-Around Strategist. Combining the aims, prerogatives, and capabilities of the four mandates, this multi-skilled CSO mandate is the most versatile of all.

There is not any typical role description fitting this super mandate as *All-Around Strategists* operate in an “*All of the Above*” capacity to customize according to their business landscape, their firm, and their own strategic leadership skills.

STRATEGIZING FORWARD...

THE FUTURE OF THE CSO

While we believe in the timelessness of the strategy continuum, we equally believe in the exponential growth of strategic complexity in a forthcoming world where

the further establishment of the purpose-driven era, the rise of business ecosystems^{iv} with commonality of purpose and value propositions, and the associated growing circles of external stakeholders will force CEOs and CSOs to open the strategy-making process beyond the borders of the firm.

In the light of the diversity and complexity of these challenges, and the relatively young maturity of a strategy support function that still needs to find its own cruising speed, there is a high likelihood to see many CSOs operating in an *all-around* capacity except in companies whose size, complexity, or circumstances would justify focused CSO mandates.

Finally, we believe that the quality of the strategic dialogue, personal relationships, and business complementarity between CEOs and CSOs will be paramount, not only for CSOs’ success but also for the CEO-CSO Strategists Duet’s success.

Indeed, contrary to their support functions counterparts —e.g., CFO, CHRO, CIO— whose rise as business partners was inside-out, CSOs’ evolution will be outside-in. In other words, C-Suite executives’ transformation into business partners was dictated by the need to take the expertise from within their respective functions out of their “functional corners” for the benefit of the entire business, hence the ‘Inside-Out’ approach.

As far as the rise of the CSO is concerned, the creation of the role starts with CEOs' personal and corporate self-awareness of the need to devote an additional force to the conduct of the firm's strategy. It does not start with the CSO, hence the 'Outside-In' approach.

Consequently, from strategy formulation to strategy execution, we believe that the strength of the CEO-CSO Strategist Duet will not only be instrumental for CSOs' two-sided complementarity with CEOs and their C-Suite colleagues but also that it will be structuring for the strategic effectiveness of the firm.

Ultimately, we see CSOs' future tied to clarity, dynamism, complementarity, and maturity.

Indeed, firstly, we envision CSOs' success in an increasingly blurrier world as the result of clarity of purpose, mandate, accountability, and impact based on a shared clarity on the CEO's and CSO's respective scopes of responsibilities.

Secondly, we envision the CSO role to be as dynamic as the strategy it is mandated to define, reorient, and bring to life in complementarity with the CEO and his C-level counterparts.

Finally, we expect the CSO and Strategy Function to go through a rite of passage and experience a path towards greater business partnership maturity similar to that of their C-Suite counterparts and that will confirm the establishment of the strategic nobility of the CSO letters as a golden acronym of In-House Strategist.

ⁱ See our article *"The Strategic Purpose of the Firm"*. On mainakmpoyo.com

ⁱⁱ Adapted from *"How Strategic is your Strategic Planning? Really."* On the five dimensions of strategic planning excellence. On mainakmpoyo.com

ⁱⁱⁱ See our article *"How Strategic is your Strategic Planning? Really."*

^{iv} See our article *"Strategic Purposes Convergences"* on the impact of business ecosystems on the strategic purpose of the firm. On mainakmpoyo.com

To learn how we can help the CSO/Strategy Function, please contact us directly at:

contact@mpoyoconsultinggroup.com or on [LinkedIn](#).