

# The return of the Chief of Staff

An article by Maurice Evlyn-Buften



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# | Resurgence

Recently we have experienced the resurgence of the Chief of Staff (COS) role within banking. This was a pre-2018 role born in the heady times of plenty, an executive side-kick and luxury right-hand person to support the CEO. More recently this role has been defined as the right-hand and occasional fall-guy to the U.S. President. Yet, my own thoughts on this role were defined by the time I spent as an Aide de Camp (ADC) to a General in the British Army. Just as an ADC holds the ear, confidence, and speaks with the authority of the General, so too does a COS possess this close relationship to their CEO.

My opinion on this role was further influenced by several recent COS appointments and a 2018 Forbes article:

*“When you think of a chief of staff, you might think of someone like John Kelly, who currently holds the position in the Trump administration. At least that was my frame of reference until I recently spoke with Caroline Pugh, chief of staff to Aneesh Chopra, who was the first chief technology officer of the United States under President Obama’s first term, and is now the president of CareJourney, a healthcare data analytics company. Before my conversation with Pugh, I was unaware that chiefs of staff have powerful and influential roles in the private sector, and that this role is a great opportunity for ambitious women.*

*Chiefs of staff (COS) serve an important function in the corporate world. They provide the communication framework for customers, employees and executives. Smart CEOs lean on their COS to troubleshoot and handle the daily needs of the company. This allows the CEO to then focus their efforts more developing strategies to grow the company.”*

(Bonnie Marcus January 4, 2018, Forbes)

I partly agree with this as, outside of banking, there does exist a well-defined Chief Operating Officer (COO) mandate where the COS role has been created to sit neatly alongside the role of the COO. Within banking however this divide-and conquer-approach is not so easily undertaken, as the COO role itself does not carry a consistent mandate across banks. Why then has the COS role made such a resurgence? In part, the regulatory agenda, and particularly in the UK the

Senior Manager’s Regime (SMR), has carved out a need for executives to have a right-hand by their side that can keep them on the right side of prison bars. The cost of such a highly personalised COS role to ensure compliance and by extension an executive’s personal security is therefore a sound investment. Yet this is not the only reason for this resurgence.

Organisational changes in demanding times leaves the CEO needing a reliable third party close at hand to offer civil disobedience, constructive debate and push-back against decisions, with a constant underlying loyalty that ensures decisions are tested, justified and communicated effectively thereafter. These troubled times also require a strong communication strategy that means communications are both relevant and well received. These are but three reasons and areas that highlight the usefulness of a COS appointment. The acute regulatory, client, investor, media and public pressures imposed upon senior executives in banking can be alleviated and helped by the appointment of a COS.

The question for any banking CEO is therefore **what do you want in a COS?**

A COS can offer valuable “gut checks” to the CEO and other members of the C-suite, but this individual needs to possess specific skills to succeed:

- **The ability to be a steel trap:** The COS is privy to highly confidential discussions and must maintain the complete trust of all those with whom they interact.
- **Confidence without an ego:** An effective COS must have the authority and confidence to make decisions but be content remaining largely outside the spotlight. When functioning correctly, the COS enables other team players to do great things. He or she must have a wealth of experience and will be most effective when this position is regarded as the pinnacle of their career, enabling advice, counsel, direction to flow easily to the CEO and the C-suite. The focus of a COS must be enabling the CEO and leadership team to maximise their collective performance, without one eye on their own career and personal advancement. Their wealth of industry and organisational knowledge can then be best utilised to the leverage and benefit of all.

**Other points to take into consideration are:**

1. In an organisation with a good COS the COO can focus on running the business on behalf of the CEO. The COS provides executive counsel (acting as a sounding board) to the CEO, often receiving highly sensitive subjects or issues to deal with, which enables the CEO to lead the enterprise.

2. The COS ensures that each part of the organisation will get the attention it deserves from the CEO, to guarantee that their time is appropriately proportioned, their leadership position is visible, and they are accessible.

3. The COS can also help the CEO achieve team cohesiveness by improving communication channels. By having the ear of the CEO and being accessible to both the C-suite and senior management team, a COS can collect valued counsel and opinions from the leadership team before a CEO conversation. This improves the efficiency and smooth running of the leadership team, but also manages the 'messaging' to the business by the CEO is managed efficiently, often by gathering sentiment to a message before it is released

4. In my mind, the CEO must regard the COS and COO as complementary and not competing assets with different responsibilities. There will of course be overlap, but the COS and COO must work collaboratively and not compete for mandate or influence, as these two roles are equally essential for underpinning the CEO's ability to lead the business effectively.

Whilst not agreeing with everything within the Forbes article, as banking is a unique and specific case, I agree with the summary that *"Above all else, a chief of staff must be willing to use their power and influence to lead from behind. They need to be passionate about their role and the mission of the organization and be a strong partner for the CEO."*

Whomever seeks out or is invited to fulfil a COS position, will need both personal courage and determination. You will be in a seat of real influence within an industry struggling to unburden itself from its recent history and in this context the COS role is well positioned to be the conscience and moral compass of the business and to carry the torch of good conduct.

**They can be a guide to the CEO, to not just set the tone on behaviour and conduct, but to live it.**

