Top Executive

Snapshot

Career Cluster(s): Business, Management & Administration

Interests: Business practices; operating own business; putting ideas into practice

Earnings (Yearly Average): $184,460 (Chief Executives); $100,780 (General and Operations Managers)

Employment & Outlook: As Fast As Average Growth Expected

OVERVIEW

Sphere of Work

Top executives plan strategies and policies to ensure that an organization meets its goals. They coordinate and direct work activities of companies and organizations. Top executives include general and operations managers, who oversee activities that are too diverse to be classified into one area of management or administration, and chief executive officers (CEOs), who provide overall direction for companies and organizations. Top executives may own a stake in, or the entirety of, the company they oversee. They may come from a variety of backgrounds, such as engineering or computer science, depending on their industry. Some fields, such as engineering, have a great deal of crossover and entrepreneurial potential.

Work Environment

Top executives work in nearly every industry. They work for both small and large organizations, ranging from businesses in which they are the sole employee to firms with hundreds or

Top executives must possess dedication, perseverance, and keen business and networking skills. Photo via iStock.com/gorodenkoff. [Used under license.]

thousands of employees. Because top executives often are held responsible for their organization's success, their work may be stressful. Travel for business purposes is common, as is interacting with other high-level executives during day-to-day business. Most top executives work full-time, and many work more than 40 hours per week, including evenings and weekends.

Profile

Interests: Data, People, Things
Working Conditions: Inside
Education Needs: Bachelor's Degree, Master's Degree, Work Experience
Licensure/Certification: Varies
Opportunities for Experience: Growth within an Organization
Interest Score: EC

Occupation Interest

Top executives are driven to succeed both personally and in terms of the business they oversee. In many cases they have climbed the corporate ladder over many years, with the goal of one day leading the organization. This takes dedication, perseverance, and keen business and networking skills. In other cases, the executive has played an integral role in founding the company, such as a tech startup or small business, building it from the ground up and taking a personal risk in order to see it succeed and grow. Still other top executives may inherit the role in a family business, but rarely does this happen without the person first working for the company, or at least preparing for the role through years of schooling and outside work experience.

Duties and Responsibilities

- Establishing and executing departmental or organizational goals, policies, and procedures
- Directing and overseeing an organization's financial and budgetary activities
- Managing general activities related to making products and providing services
- Consulting with other executives, staff, and board members about general operations
- Negotiating or approving contracts and agreements
- Appointing department heads and managers
- Analyzing financial statements, sales reports, and other performance indicators
- Identifying places to cut costs and to improve performance, policies, and programs

A Day in the Life—Duties and Responsibilities

The responsibilities of top executives largely depend on an organization's size. In small organizations, such as an independent retail store, an owner or manager often is responsible for hiring, training, quality control, and day-to-day supervisory duties. In large organizations, chief executives typically focus on formulating policies and planning strategies, while general and operations managers direct day-to-day operations.

Chief executive officers (CEO), who are also known by titles such as executive director, managing director, or president, provide overall direction for companies and organizations. Chief executive officers manage company operations, formulate and implement policies, and ensure that goals are met. They collaborate with and direct the work of other top executives and typically report to a board of directors. There may be other types of chief executives—such as chief operating officers (COOs), chief financial officers (CFOs), or chief human resources officers—who manage a specific part of the organization. The knowledge, skills, and job duties that these executives have differ, depending on which department they oversee.

General and operations managers oversee an array of activities relating to the management or administration of a company. Responsibilities may include formulating policies, directing daily operations, and planning the use of materials and human resources. These managers make staff schedules, assign work, and ensure that projects are completed. In some organizations, the tasks of CEOs may overlap with those of general and operations managers.

OCCUPATION SPECIALTIES

Mayor/City Manager/County Administrator/Governor
Mayors, city managers, county administrators, and governors are chief executive officers of governments. They usually oversee budgets, programs, and the use of resources. Mayors and governors must be elected to office, whereas managers and administrators are typically appointed.

School Superintendent/College or University President
School superintendents and college or university presidents are chief executive officers of school districts and postsecondary schools. They manage issues such as student achievement, budgets and resources, general operations, and relations with government agencies and other stakeholders.

WORK ENVIRONMENT

Immediate Physical Environment

Top executives may work in a variety of locations, depending on the business they oversee. The CEO of a small business may be involved in many aspects of its day-to-day operations, while the leader of a large organization with thousands of employees may spend most of his or her time in an office and in meetings.

Travel occurs often, in order to attend meetings and conferences or to visit local, regional, national, or international offices of interest.

Human Environment

Top executives often interact with other high-level executives, such as financial managers, human resource managers, or chief technology officers. By the nature of their position, executives must be comfortable interacting with others, including representing the company while attending conferences and trade shows, and possibly giving interviews to the media when the occasion calls for it. Further, many CEOs are beholden to a board of directors, so they must be comfortable accounting for the company's successes and failures during high-pressure meetings. General and operations managers must likewise report to superiors, consult with other managers, and oversee their team of employees.

Technological Environment

It is beneficial for company leaders to be well-versed in numerous software programs, such as word processors and spreadsheet-makers, and accounting, human resources, and project management programs. Other technological requirements vary by the nature of the business—the CEO of a tech startup will likely have programming skills and be involved with the creation and evolution of the product, for instance.

EDUCATION, TRAINING, AND ADVANCEMENT

High School/Secondary

Top executives need to be well-rounded in their knowledge of language, math, and business practices in order to succeed. Many skills and traits are gained through years of work experience, but high school students with a desire to one day lead a company should focus on courses that prepare them for entry into the business world, such as English, economics, and history. Students should also start planning for their postsecondary studies, such as researching schools with strong business departments and reputations for worthwhile internships.

Suggested High School Subjects

- Algebra
- Biology
- Calculus
- Earth or Life Science

- Economics
- English
- Geometry
- History
- Physics
- Psychology
- Statistics
- Trigonometry

Related Career Pathways/Majors

Business, Management & Administration Career Cluster

- Business Information Management Pathway
- General Management Pathway
- Human Resources Management Pathway
- Operations Management Pathway

Transferable Skills and Abilities

Communication Skills

- Conveying information clearly and persuasively
- Discussing issues and negotiating with others
- Directing staff
- Explaining policies and decisions to people within and outside the organization

Decision-making Skills

- Assessing different options and choosing the best course of action when setting policies and managing an organization

Leadership Skills

- Shaping and directing an organization by coordinating policies, people, and resources

Problem-solving Skills

- Identifying and resolving issues within an organization
- Recognizing shortcomings and implementing solutions

Time-management Skills

- Performing many tasks concurrently to ensure that their work gets done and that the organization meets its goals

Postsecondary

Top executives typically need at least a bachelor's degree and considerable work experience to enter the occupation. Top executives of large corporations may have a master's degree in business administration (MBA). Postsecondary students should look for internships during or directly after schooling in order to become familiar with the business world outside of the classroom, build their résumés, and make important networking contacts.

Related College Majors

- Business Administration
- Law
- Liberal Arts
- Public Administration

Adult Job Seekers

Many top executives advance within their own organizations, moving up from lower-level management occupations or supervisory positions. However, some companies may prefer to hire qualified candidates from outside their organization. Top executives who are promoted from lower-level positions may be able to substitute experience for education to move up in the organization.

Fast Fact

If you want to be a billionaire, your best bet is to do it the self-made way. Of 585 billionaires in the US, according to 2016 research, only 20 percent got there via inheritance. A combination of inheritance and hard work got another 18 percent across the billion-dollar threshold. Source: smallbizgenius.com

Benefits of a billionaire lifestyle. Photo via iStock.com/EXTREME-PHOTOGRAPHER. [Used under license.]

Chief executives typically need extensive managerial experience, and this experience is expected to be in the organization's area of specialty. Most general and operations managers hired from outside an organization need lower-level supervisory or management experience in a related field.

Some general managers move into higher-level managerial or executive positions. Executive training programs and development programs often benefit managers or executives.

Professional Certification and Licensure

Some top executive positions may require the applicant to have a license or certification relevant to their area of management. For example, some employers may require their CEO to be a certified public accountant (CPA).

EARNINGS AND ADVANCEMENT

Top executives are among the highest paid workers in the United States. However, salary levels vary substantially. For example, a top manager in a large corporation may earn significantly more than the mayor of a small town. Similarly, earnings for general and operations managers differ across industries because their responsibilities also vary by industry.

Median annual earnings of chief executives were $184,460 in 2019. The lowest 10 percent earned less than $62,290, and the highest 10 percent earned more than $208,000. Median annual earnings of general and operations managers were $100,780 in 2019. The lowest 10 percent earned less than $45,050, and the highest 10 percent earned more than $208,000.

Fast Fact

Well-known companies that launched from an incubator include Airbnb and Dropbox. The five-year survival rate for incubator clients has been reported from 75 upwards to 87 percent.

Source: ceigateway.com

Airbnb logo. Photo by DesignStudio via Wikimedia Commons. [Public Domain.]

Dropbox logo. Photo by Dropbox, Inc. via Wikimedia Commons. [Public Domain.]

Top executives may receive paid vacations, holidays, and sick days; life and health insurance; and retirement benefits. These are usually paid by the employer if the business is not self-owned. In addition to salaries, total compensation for corporate executives often includes stock options and other performance bonuses. These executives also may enjoy benefits such as access to expense allowances, use of company-owned aircraft and cars, and membership to exclusive clubs. Nonprofit and government executives usually receive fewer of these types of benefits.

EMPLOYMENT AND OUTLOOK

Top executives held 2,774,300 jobs in 2019. Twenty-four percent of chief executives were self-employed. Overall employment of top executives is projected to grow 4 percent from 2019 to 2029, about as fast as the average for all occupations. Projected employment growth varies by occupation.

Employment of general and operations managers is projected to grow 6 percent from 2019 to 2029, faster than the average for all occupations. Organizations will continue to rely on these workers to help them operate successfully.

Employment of chief executives is projected to decline 10 percent from 2019 to 2029. Improving office technology and changing organizational structures have increased these workers' ability to perform tasks previously done by multiple chief executives. In addition, economic activity and employment has become increasingly concentrated in large, established companies, which may lead to fewer new jobs for these workers.

The high pay and prestige associated with these positions attract many qualified applicants. In addition to those arising from growth, openings are also expected to result from the need to replace workers who transfer to different occupations or exit the labor force, such as to retire. Those with an advanced degree and extensive managerial experience will have the best job prospects.

Related Occupations

- Administrative Services Manager
- Advertising/Promotions/Marketing Manager
- Architectural/Engineering Manager
- Computer/Information Systems Manager
- Construction Manager
- Financial Manager
- Human Resources Manager
- Industrial Production Manager
- Medical/Health Services Manager
- Sales Manager

MORE INFORMATION

American Management Association (AMA)
1601 Broadway
New York, NY 10019
877.566.9441
customerservice@amanet.org
www.amanet.org

American Society of Association Executives (ASAE)
1575 I Street NW
Washington, DC 20005
888.950.2723
ASAEservice@asaecenter.org
www.asaecenter.org

Financial Executives International (FEI)
89 Headquarters Plaza, Suite 1462
Morristown, NJ 07960
973.765.1000
membership@financialexecutives.org
www.financialexecutives.org

Financial Management Association International (FMA)
University of South Florida
Muma College of Business
4202 East Fowler Avenue, BSN 3403
Tampa FL 33620-5500
813.974.2084
fma@coba.usf.edu
www.fma.org

International Executives Association (IEA)
P.O. Box 49654
Charlotte, NC 28277
704.604.5599
director@ieaweb.com
ieaweb.com

National Management Association (NMA)
3055 Kettering Boulevard, Suite 210
Dayton, OH 45439
937.294.0421
nma1.org

Senior Executives Association (SEA)
4829 West Lane
Bethesda, MD 20814
202.971.3300
seniorexecs.org

Stuart Paterson

Conversation With...

DOUG BRENT

CEO and co-chairman
Brent Enterprises, LLC, Boulder, CO
Entrepreneur, 22 years

What was your individual career path in terms of education/training, entry-level job, or other significant opportunity?

I have a Bachelor of Commerce degree from the University of Toronto and a Master of Business Administration from Cornell University. I'd started college studying the sciences to be a doctor. But I was into sports, and I did a lot of socializing, and that was the end of my medical career. My degrees aren't necessary to be an entrepreneur; they just give you the confidence and jargon to deal in the financial arena.

Through the 1990s I ran a private equity and venture capital firm within a large investment bank. As that fund got bigger and more global, I realized I was spending too much time managing egos. My brother Hollis studied law and ran a small merchant bank, but we both wanted to get closer to managing our own businesses. In 1999, we formed a company, Brent Enterprises, LLC, to own and operate businesses. There are important legal protections that come from having a holding company between an individual and the businesses owned. We started our first small business in 2000, but it took what seemed a frustratingly long wait to close our second deal in 2003. Working together is great for us because we have quite different personalities, with complementary expertise; and when we disagree on things, it's never a question of whether one of us has an ulterior agenda—it's just a fundamental disagreement.

We've owned seven businesses; some we started, and some we bought. Some we've sold. We had a frozen pizza company, invested in it, and sold it to one of the largest frozen pizza companies in the United States. We had a specialty packaging company called The IntraPac Group. It consisted of nine packaging plants in the United States, Canada, and Costa Rica, making laminated, aluminum and tin tubes, plastic bottles, jars, and deodorant sticks. End markets were the pharmaceutical, personal care, and food industries. We sold it to someone else who saw it as a platform for a bigger strategy. The time to sell a business is when it's worth more to someone else than it is to you.

Our core businesses now are our organic snack food company, Made in Nature, LLC, and our grain fractionation and ethanol business, Permolex International. Made in Nature started in

1989 as a small, organic fresh produce and dried fruit company and eventually just sold dried fruit. We bought it in 2003 and transformed it into a healthy snack company.

Permolex mills flour and extracts the gluten to make a powder used in baked goods. We also produce food grade and pharmaceutical grade alcohols from our milling process to use in products such as hand sanitizers. The remaining grain is returned to the farmers for cattle feed. We have 250 employees between those two businesses.

Entrepreneurship is all about managing risk, and hopefully, those are calculated risks. There are two times in life where I think it is ideal to take that risk. Those times are when you are financially secure and can afford to lose, or when you are at a stage of life where you have nothing to lose. A great time is when you're young, have vim and vigor and don't know any better, and just want to get out there and give something a go. In my case, my kids were old enough and I had enough money set aside that if I failed, I could get up, dust myself off, and start again. We were fortunate enough that our failures were not enough to cripple the business, but as I say, an entrepreneur is always balancing risk, and hopefully those risks are well understood and thought through.

Sometimes you can make calculated decisions and be right in all of them and [then] something beyond your control can happen and upset the apple cart. Can you imagine starting a restaurant in 2019? I'm sure there are plenty of people who have strong business plans and a strong outlook, and then COVID comes along, and they lose everything.

What are the most important skills and/or qualities for someone in your profession?
The most important thing would be common sense. You're probably not going to find an answer in a textbook for most of the questions you're going to face in your career. You have to have a gut feeling—something just doesn't make sense, or something can be done a better way. If you don't have common sense to see opportunities or adapt, you don't have much chance succeeding as an entrepreneur. When COVID hit, we were producing ethanol at a grade to be used as a fuel additive, but suddenly people weren't driving anywhere. We moved fast and invested in upgrades to the plant to produce ethanol suitable for hand sanitizer. It was common sense to adapt to the new reality. Ninety-five percent is common sense, and five percent is confidence to sell your idea and resilience to keep going when facing initial hurdles.

What do you wish you had known going into this profession?
I have a unique perspective because I was fortunate enough to run an equity fund where I was sitting on the boards of companies run by entrepreneurs. I was always thinking: what's the common thread? There are all kinds of people who are entrepreneurs. We had every kind of leader—some who believed everything would just turn out right, and others who were detailed thinkers. I went in with the knowledge knowing there's not a formula, but the big awakening was when I was a private equity investor sitting on company boards, I would sit there and say, "why don't you outsource that," "why don't you consolidate that," "why don't you combine those two products"? It all seemed so obvious to me. But when you start running these businesses, you quickly realize that it's way harder than that. It's never as easy as you think it is in terms of finding the right people, implementation, and execution.

Are there many job opportunities in your profession? In what specific areas?

There are a broad array of types of entrepreneurial enterprises and almost infinite opportunities to get involved with them in some capacity. No matter what the industry, you need a good idea, a good business plan, to be able to justify it to others, and then go out and find the money.

How do you see your profession changing in the next 5 years? How will technology impact that change, and what skills will be required?

Technology disrupts everything and out of disruption comes opportunity. As technology applies to virtually any industry, it changes the characteristics of a winner and a loser. Take e-commerce. There are certain appealing elements to physically going to a store—I can browse; I can make impulse buys. People were willing to buy certain things online; but then all of a sudden COVID hits, and there's a huge growth in e-commerce. I don't think it's ever going to go back.

What do you enjoy most about your job? What do you enjoy least about your job?

No two days, no two hours are the same. You're dealing with the unpredictable all the time, and it's never boring. It's not always fun—but it's never boring.

What I like least is letting an employee go. We like to know our employees and create community within our businesses. You have to give people the tools they need to succeed, and believe they can succeed, and sometimes you're going to be disappointed because they just can't. Those personnel decisions are very difficult to make.

Can you suggest a valuable "try this" for students considering a career in your profession?

Right out of Nike: "Just do it." You can get a window into being an entrepreneur by just going and working in your local butcher shop. Try working in ten things, don't just try one thing. Nowadays, you can design and build something on a 3D printer and sell it exclusively on the Internet. Do whatever it takes to get up to bat. Because once you're up to bat you're going to hit the ball or you're not.

Conversation With...

RICK GARDNER

Director, Startup Ventures
University of Buffalo, Amherst, NY
Startup entrepreneur, 10 years; academia, one year

What was your individual career path in terms of education/training, entry-level job, or other significant opportunity?

I grew up in a little mining town in Colorado and became a professional bull rider after high school. I had a career-ending injury and didn't have a back-up plan, so I went to work: construction jobs, manual labor on a farm, in a meatpacking house, as an electrician. I realized I was pretty good at creating and designing things and that led me to engineering. At age 25, I entered Colorado State University where I earned a degree in mechanical engineering. I had a family and worked full-time to put myself through school, so I had to make sure my college paid off.

I worked for big Fortune 500 companies like Hewlett Packard, Schneider Electric, Lockheed Martin, and my career started to change toward the business side of product development. Then I moved into the startup space. I worked for four startups, one as co-founder. In all, I hold 31 US patents and many more foreign patents.

The first startup I worked for was Minute Key. At that time, if you wanted to get a key copied for your house you went to the hardware store, spent 30 minutes to find an associate, waited 20 minutes while they make the key and when you got home, there was a 25 percent chance the key was incorrectly cut and was not going to fit. I managed the development of a kiosk that, at the end of the day, could be adapted to large-scale use in grocery and big box stores. It can cut a key in 60 seconds with 99.9 percent accuracy. We created the market, then competition started.

I came to this job right as the pandemic started. This is the best job I could think of, to work in a place that funnels startups into the system. What they need is coaching, advice, and investment. I can help them not make the mistakes I made.

The number one mistake startups make is that they have a solution to a problem that doesn't matter. They get enamored of their solution. Make sure you are addressing a compelling problem.

The biggest challenge with a startup, which is a high-risk thing, is that even though you may think you are on to something, you have to balance that risk if you have a family. Really successful entrepreneurs can kind of compartmentalize that risk and not waiver.

One thing that's been really refreshing during COVID-19: these entrepreneurs see COVID as an opportunity, a new set of problems. The best entrepreneurs change their offerings. For example, we had a startup working on a software app, COVID happened, and they decided to shift and make an app where employees can say whether or not they tested positive or have symptoms. Employers could use that. Our entrepreneurs were right and got quite a bit of traction with it. Our drug development and bio sciences startups pivoted toward cheap ways to make masks, visors, or ventilators.

What are the most important skills and/or qualities for someone in your profession?
Entrepreneurs need determination and tenacity and to believe in their idea. As a mentor, I have to be empathetic. I have to be able to think about the perspective of the person I'm trying to help. I can give all the advice in the world; if that doesn't align with what they are trying to do, that's not much use.

What do you wish you had known going into this profession?
I went into engineering because I thought I was creative. But, had I known the direction my career would take, I would have focused more on business-related studies in parallel with engineering. I've also learned how to determine whether a problem is worth solving. That gets into problem-space vs. solution-space and how creativity works. In hindsight, I trained myself in some of those areas, but knowing up front how the creative process works would have been useful.

Are there many job opportunities in your profession? In what specific areas?
If you can hang with the risk and you're creative and aggressive, there's a lot of opportunity in the startup space. And I've been blown away by the number of opportunities for mentors and people who are willing to coach, although sometimes people are doing so to find their next opportunity. There are accelerators at universities all over the country.

How do you see your profession changing in the next 5 years? How will technology impact that change, and what skills will be required?
From an entrepreneur's perspective, I think you are going to see more and more opportunities for social impact-type ideas. When you look at what motivates millennials and the generation after that coming up, it's different from 20 or 30 years ago. They are interested in societal impact and positive change in the world, from diversity, inclusion, and racial equity to environmental impact. Technology comes and goes. Whether you are solving a compelling problem is the focus.

What do you enjoy most about your job? What do you enjoy least about your job?
Seeing young people energized and betting their life. They are onto something and helping them realize their dream—that's terrific. I least enjoy knowing not all are going to be successful, and I have to deliver the bad news and help them move to a different idea.

Can you suggest a valuable "try this" for students considering a career in your profession?

Get out and get real jobs doing real stuff—pouring concrete, roofing houses, building things. That is invaluable because you cannot fake real experience in the real world doing real stuff. It gave me perspective, and I wouldn't trade that for the world.