Ember Carriers
from possibility to results

Surviving the Company's Founder: Growth through Re-Management

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Every business is like a space vehicle. Without a powerful, fiery rocket lifting the space vehicle, it stays on the launch pad. However, once the space vehicle is airborne the rocket transitions to controlled, directional mode. This transition is necessary for space vehicles and businesses.

In order to ensure growth and stability, all companies must evolve through a particular life-cycle change. The initial fire-starting push must be followed by a manageable, long-term business development plan. However, this business development cannot occur without first establishing a stable administrative infrastructure.

Developing this stable administrative infrastructure requires a change in the nature of the founders and subsequent management leadership styles. The leadership must move from individually motivated and reactionary mode to a collaborative and proactively fueled mode. Many leaders cannot make this transition. As a result, the organization remains managed in uncontrolled, unorganized, and therefore ultimately unproductive, growth mode.

When a company is running into same problems time and again, leadership needs to be able to recognize the need for a change in management style. For example, plans are partially implemented or not at all. Money keeps running out. Board and staff members quickly come and go. The organization struggles from one crisis to another. Staff meetings rarely occur and leadership meetings are only held to report a crisis or rally the team. No one really seems to know what's going on from day to day.

Board members, employees, and customers are very often drawn in by organization's leaders, charisma or personality—not through the organization's mission or strategy. These leaders often count on whoever seems most loyal and accessible, and motivate by fear and guilt, often without fully realizing it. Naturally, the company becomes dependent on the unique style of those leaders -- whether they are consistently decisive or consistently indecisive. When finally confronted about obvious, recurring problems, these leaders become increasingly anxious and defensive, and soon resort to blaming circumstances or other people.

Leaders should also recognize their need to change management styles when employees, board members, and others stop talking. The ideas of these important company players become completely lost, and worst, they have no ability to help the company switch from uncontrolled growth to stable growth. They are led to believe that being vocal about the issues or circumventing the leader could be a career-limiting move.

Obviously, no company leader sets out to damage his/her organization. However, many leaders do just that by disregarding the need for ongoing coaching to identify the areas needing change and modifying business plans. Without someone supplying this information and coaching, it's likely that the company's leadership style will never change. Change is needed to prevent the organization from slowly folding or establishing a quasi-leadership team with no real authority to make the necessary changes to the business management model.

There are actions can be taken to avoid these leadership pitfalls. Start by simply and truthfully answering the following questions:

1. Have you set goals that reflect the company strategy for all levels of the organization?
2. Do the employees of your organization understand the company's goals and how they can support the fulfillment of the goals?

STOP! If you cannot answer the first two questions, find out what measurable goals exist and whether they align with your corporate goals. If none exist then go no further. Develop organizational and individual goals.

If you have reasonable goals for your company, managers and staff then proceed to the next four questions.

3. Do your managers and other important position holders have the skills to recognize the need to align

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goals with company strategy?
4. How much latitude do your managers and other important position holders have to modify the company goals as needs change?
5. What measures of incentives and other benefits are there for performance that supports the company strategy?
6. How are managers and other important position holders held accountable, for underperforming?

Action the founder(s) and leaders must take:

- First realize the change is from within.
- Seek input from others. It is difficult to realize that the other people in company have a very real stake in the company's success.
- Develop systems and organizational structures for people to follow whether you are there or not.
- Learn to make decisions based on the mission and strategic growth goals instead of, pure instinct or first impulse.
- Accept both a mentor outside the company and an advocate within the leadership ranks. These two people will serve to offer you good advice and help linking the advice to the day-to-day needs of the company.
- Think about your leadership transition plan. Think about what the organization will do if/when you are unavailable, for whatever reason.
  Motivate leadership and staff to meet goals.
- Delegate and give them the authority to complete tasks. In regular staff meetings, celebrate successes! Bring in customers to tell staff how the organization helped meet their needs.
- Conduct regular performance reviews with staff to ensure organizational and staff needs are being met. In regular staff meetings, share status information and conduct day-to-day planning.

By following these action steps leaders and dependent organizations can fix the problems inherent in their management structure, and set themselves up for the proper transition and new life-cycle. They can successfully "survive the founder," and enjoy ongoing growth driven by effective leadership.

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