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LEADING YOUR ORGANIZATION

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As the owner or CEO of a small to mid-size business, your job is to lead the company and let others manage it. This requires getting very clear about the difference between leadership and "managership," and making sure you focus your time and attention on the tasks and activities that only the leader can perform.

The first job of the leader is to inspire, influence and transform the "human currency" in the business. Everything else comes second. Without good human currency walking the halls, your plans and strategies can't get implemented and your goals won't get achieved.

Leaders inspire people by painting a picture of success beyond what people think is possible for themselves. Teach your people how to be successful by modeling what success looks like. Influence your people by role modeling, coaching, mentoring and spending one-to-one time with them. Above all, take responsibility for growing and transforming your people.

In addition to inspiring, influencing and transforming their people, great leaders focus on four key elements of true leadership.

1. Set the corporate compass.

Leaders set the corporate compass with their vision. The trick is recognizing that creating the vision is not a group activity. Rather, it falls strictly within the domain of the CEO or business owner. The vision should be yours, because it is your net worth tied up in the company.

Once you set the vision, communicate it relentlessly. If people don't know where the company is going, it's because you haven't told them often and clearly enough. The vision should represent a BHAG (big, hairy, audacious goal), something that stretches people and inspires them to go beyond what they think they can do. Once you get clear on where you want to take the organization, then you can figure out how to get there.

2. Act decisively.

Effective leaders act decisively so that their people can take appropriate action. In today's world, the hard part is overcoming the inertia of information overload. Having too much information can decelerate the decision-making process and cause paralysis by analysis. Great leaders don't overanalyze. Instead, they gather enough information to move forward and then adjust as new information comes in. If you wait for all the evidence to come in before making decisions, someone with a more efficient decision-making process will take your idea to market first.

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When making decisions, choose collaboration over consensus. Consensus involves getting total agreement before moving forward. It gives power to the weakest link, which does not accelerate value. Instead, build a model of collaboration whereby you discuss all the important issues, but as the leader you hold final veto power. People don't necessarily need to agree with you, but they must at least agree to support your decision so the organization can move forward.

Acting decisively keeps high-performing people in your organization because they don't want to work for someone who waffles or can't make decisions in a timely manner. Being decisive also discourages the "bottom feeders" who like to hide out behind the leader's indecisiveness.

3. Delegate all non-CEO activities.

Great leaders understand the importance of focusing on "CEO stuff." When CEOs fail to delegate, it's usually because:

- The CEO may be best suited to do the task him/herself.
- The CEO enjoys doing the task or feels it is more expedient to do it personally.
- It is an avoidance strategy to keep from doing other tasks that must be done.
- The CEO is a control maniac and must have his/her hands in on everything.
- The task becomes habitual.
- The CEO doesn't have the talent to delegate to.

To track the amount of time spent on CEO stuff, keep a journal of all your activities for one week. Write down everything you do, no matter how trivial. You will be amazed at some of the things you spend time on.

Next, identify the activities you can delegate off the list so you can focus strictly on CEO stuff. Get clear on your role as CEO, learn to delegate, and free yourself up to do the work you get paid to do.

4. Drive the business with your own values and principles.

As with the vision, you don't have to get everyone on the shop floor involved in setting the values. Your values and principles have contributed heavily to your success, so make them explicit to the organization and give people boundaries to work within. At the same time, make sure you walk the talk. Never lose sight of how your actions impact your people and your organization.

Effective leaders live and breathe the values on a regular basis. However, three situations demand your special attention:

- **At hiring time.** People walk into your organization with their own embedded "behavioral software." In order to ensure a good fit, test all job applicants for the values and behavior you want in your company. Learn how to interview for those values, keeping in mind that the best predictor of future behavior is past behavior. No matter how talented or experienced, never hire people who don't share your values.
- **When you see them happening.** It's much easier to witness a value than to read about it in a memo. When people demonstrate the right values, draw attention to it. Make those values highly visible so others can see, understand and live the ones you want.

- **When you *don't* see them happening.** When someone behaves counter to your espoused values, don't let it slide. Draw people's attention to the lapse in values, but do it in a developmental rather than a punitive way.

Keep your values few in number and high in impact. Remember that you're trying to guide behavior, not legislate the perfect human being.

Call to Action

During my 15-year tenure as a Vistage Chair in the Seattle area, I had an explicit agreement with my members. If I saw them working on non-CEO stuff, I had permission to call them on it. In the next one-to-one, we would discuss an action plan for delegating that particular task or activity to someone more appropriate in their organization.

Sometimes the plan was as simple as having a short meeting with a direct report to delegate the task. Other times the plan called for a three- or six-month developmental process to prepare a key executive to assume responsibility for a certain area. Either way, the idea is to continually identify and clean your plate of the non-strategic activities that prevent you from functioning as a true leader. My call to action is this – if you don't already have one in place, make a similar pact with your Chair. Give him or her permission to call you out when it becomes clear that you're engaging in non-CEO activities. Then, in the next one-to-one, set aside some time to discuss the issue and create a plan for getting back on track with what you need to be doing.

As the CEO/business owner, the demands on your time and attention are relentless. When people come to you with a request or for the solution to a problem, it's too easy to say "yes" and add one more item to your plate. Before you know it, your plate is full of non-CEO activities and nobody is left to do the CEO stuff.

So give your Chair (and your group) a mandate for holding you accountable. Your job is to *lead* your company, and the best way to do that is by developing your people so they can manage it for you. By zeroing in on these four areas, you can become the focused, effective leader your people and your organization need you to be.

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To discuss organizational leadership, please contact one of our Directors at
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