

## Jim's Profit Accelerator 42: Succession Inside Out

Much is made of the succession puzzle for owners, leaving the prospective successor CEO wondering exactly how to fit in when the founder is present. A clear understanding of the puzzle pieces is what the new CEO needs to function effectively and put the big picture together. Here are three critical pieces for the new CEO to handle expertly:

### **Piece 1: The Aura of "Dad"**

The founder or long-time CEO is in the minds of every employee, regardless of their individual position or history. What's the same for all is the refrain, "What would he do?" (WWHD). The intensity varies with the situation and the person, but it's built into the daily choices that every employee makes to do their job. It's double-blind, crafted from individual experience and perspective, tough to see and manage.

A few tips to use the aura constructively:

- Assume that it's always present. The habit of WWHD lives quietly in most people.
- Use it to power success. Most successful businesses do many things right. It's the art of leadership to harness the culture's power in order to methodically upgrade performance in the nuts and bolts of daily operation.
- Borrow it to see beneath the surface. When you find a situation that doesn't make sense to you, ask the two key probes:
  - (1) Why is that?
  - (2) What's the evidence for that?

**SPEED BUMP:** Your new position doesn't erase "Dad"—it gives him new life in the minds of your people.

### **Piece 2: Shifting Power with the Prior CEO**

The power dance for the new CEO will be different from any that she's experienced before. Both the old and the new CEO want the new one to be successful quickly. Both folks are driven by their different habits, experiences, and expectations as they craft this relationship, however. Those differences yield different pictures of how things should work between them.

Insights for quick success:

- Treat the former CEO as a fellow searcher, not as an authority or a relic. Each of you is building a relationship that's so new that it's not in any book or any past experience. Practice patient

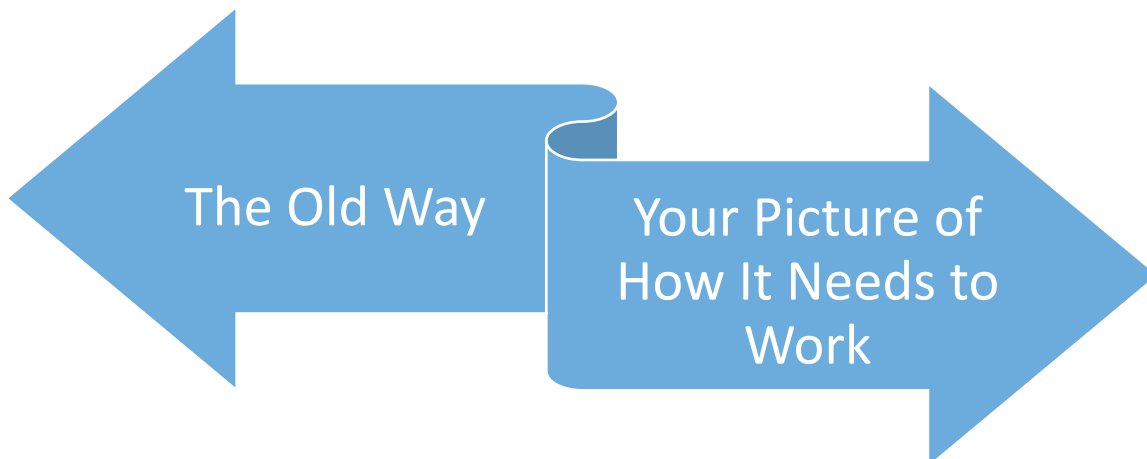
- listening and questioning to understand; genuine understanding will be more valuable than negotiating a quick path forward.
- Data will unlock both your doors to the future. It's your job to collect it.
- Don't wait for the former CEO to act. Go see for yourself, and then check your data and conclusions out with him. You've got an expert right beside you; use him.
- This relationship will change at an unexpected pace, much like working with your infant as she lives from three months to three years old. The change is constant; the future unexpected.

**SPEED BUMP:** Let yourself learn at the same fierce rate as when you started to work.

When I ran a business for the founder, it took us too long to clarify who was working on the overlap questions. His focus was sales and finance, but we waited too long to poke the product development team to ramp up their output. Each of us thought the other was taking it on, but progress didn't happen until he and I talked about it, crafted an approach to a sensitive product development leader, and worked to help him meet his deadlines. Our lack of proactive communication on the issue unnecessarily hurt sales and profit.

### **Piece 3: Timely Action That the Business Requires**

While you are trying to figure out the pieces and the complexity of your relationship with the Aura and the former CEO, the business piece will tug constantly at your sleeve. You will see problems that aren't what they appear; you'll feel responsible for situations beyond your control; and your inbox will flood at lightning speed. You'll be torn between respecting the Aura (WWHD) and stepping in to take action. Often when that happens it's time to pause and talk together, to clarify the path to action.



The windows forward:

- Do less than you think you need to do. Your prime job is to see that you have the right people doing the right things. Your next job is to master the outside world that your business lives in. Use your advisor (former CEO) for a contrasting point of view, not an answer.
- Focus on what your key people are doing, and how you can help them up their game. Information for you is like water to a fish—it's survival.
- Ward off your drive to do this job exactly like you did the last one. Many of your shortcuts and essential skills are now out of date.

**ACCELERANT:** What does your piece of this puzzle look like?

For more information on how you can accelerate revenues and profits in your business, please call or email me.

For more information, visit [www.grewco.com](http://www.grewco.com).

Jim Grew is an expert in CEO-level strategy and executive leadership whose clients refer to him as the Business Defogger and Accelerator. Jim helps leaders swiftly discover the hidden opportunities within their businesses and exploit them for dramatic results. Nearly three decades of success as a COO and CEO coupled with his experience running nine thriving businesses provide the foundation for his consulting work as president of the Grew Company. He presents regularly to industry groups, mentors business leaders, and shares insights on his blog, BizBursts.com: <http://bizbursts.com/>. He holds BA and MBA degrees from Stanford University.

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