

Leadership transitions in a founder-led business



A summary of today's theme

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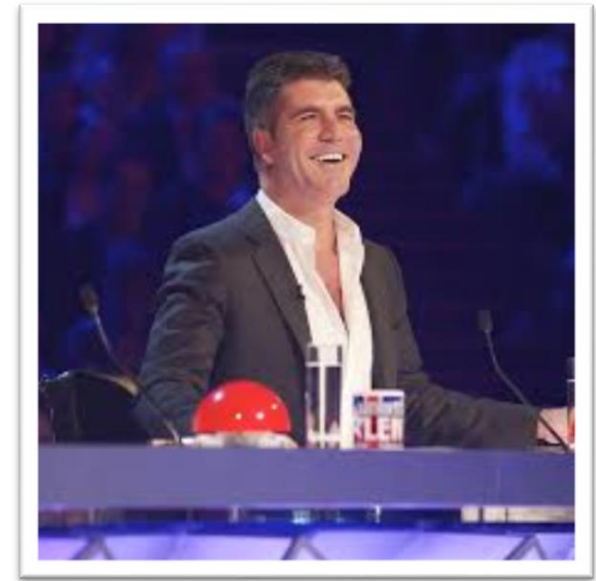
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Founder



Leader



Owner

Things people say about 'success' – *after and before*

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“I would have employed better people, earlier on and let them get on with it”

“I struggle to find the right people, my team are loyal but they lack the drive I now need”

“Some of the most valuable time I spend in the business is staring at a blank wall”

“I’m spending 60-70 hours a week working, it’s relentless”

“Falling off my motorbike on the way to the opening of our first ever site made me realise that it would be ridiculous to build a business that was solely reliant upon me”

“Everything seems to have to go through me, people just don’t take decisions or make the wrong ones!”

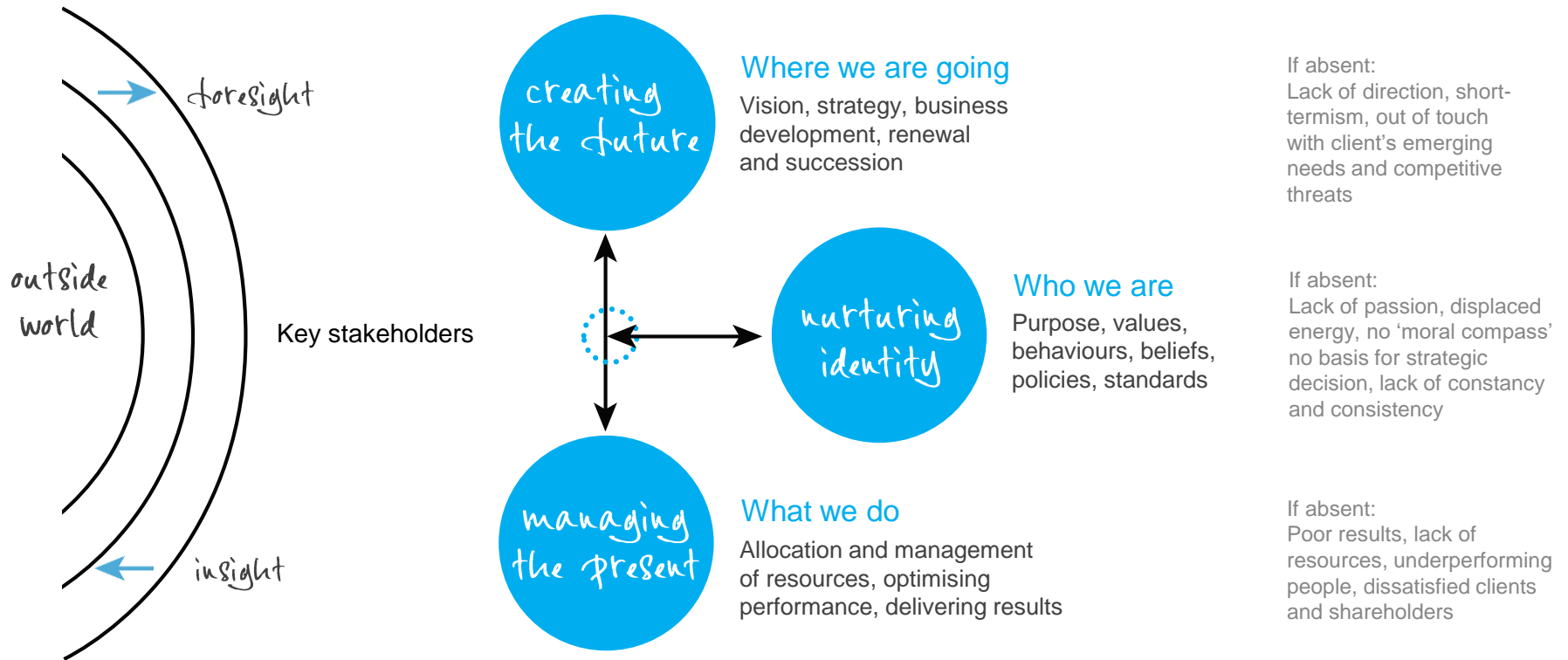
“Each time, I’ve have let go of stuff to focus on where I can add real value, the business has jumped to the next level”

“If I’m not doing stuff, then what is my role?”

Source: Telos @10 Founder Interviews

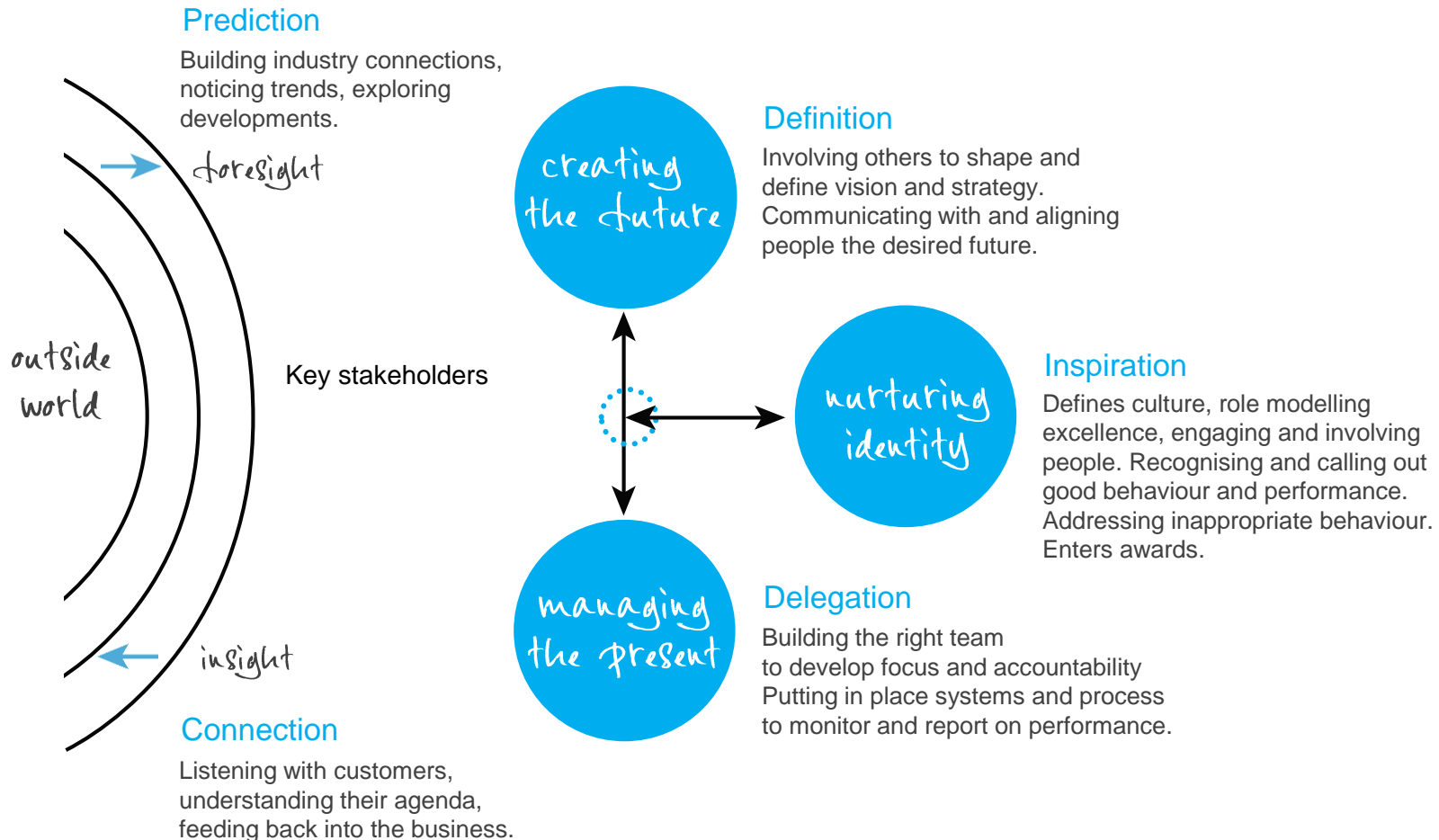
What is your current narrative?

Functions of leadership



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What do successful leaders do...



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Where do you place your current energy and attention?

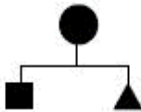
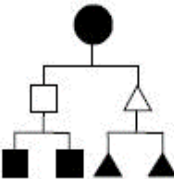
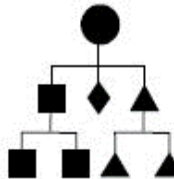
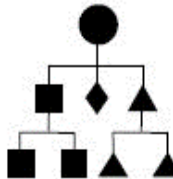
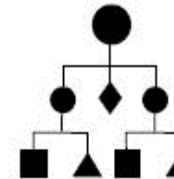
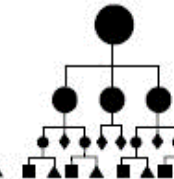






A typical journey of growth for an SME

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Characteristics of Small Business at Each Stage of Development

	Stage I	Stage II	Stage III-D	Stage III-G	Stage IV	Stage V
	Existence	Survival	Success-Disengagement	Success-Growth	Take-off	Resource Maturity
Management style	Direct supervision	Supervised supervision	Functional	Functional	Divisional	Line and staff
Organization						
Extent of formal systems	Minimal to nonexistent	Minimal	Basic	Developing	Maturing	Extensive
Major strategy	Existence	Survival	Maintaining profitable status quo	Get resources for growth	Growth	Return on investment
Business and owner*						

*Smaller circle represents owner. Larger circle represents business.

Churchill & Lewis (1983) The Five Stages of Small Business Growth, *Harvard Business Review*

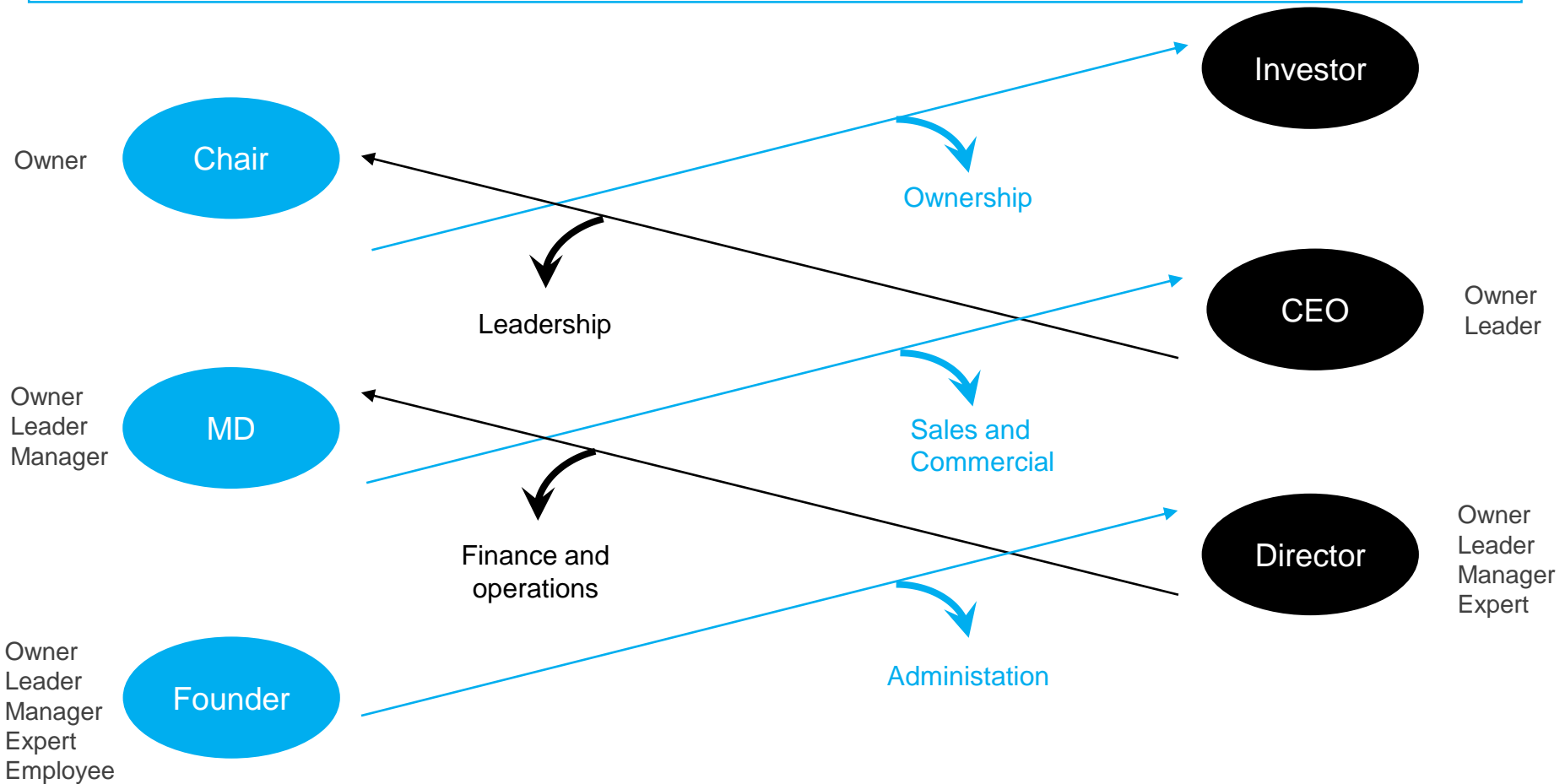
What shift is required in your business?

A typical journey for an ambitious business owner

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Adapted from the Leadership Pipeline, Ram Charan

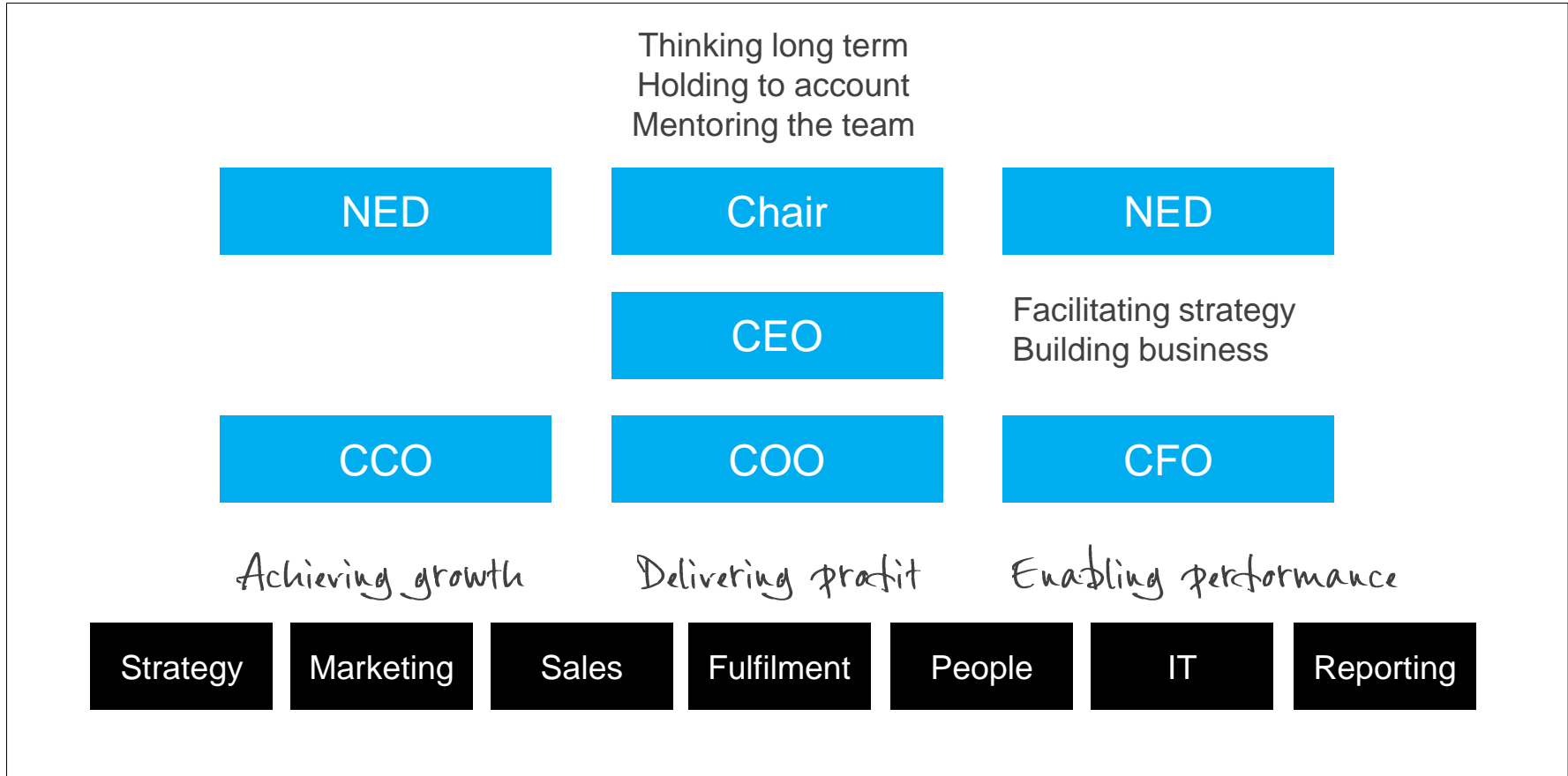
Where are you in your journey?

The critical need to build a team

A familiar picture in a high growth business



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How would you assess your current team?

Evolving styles of leadership

	Coercive	Authoritative	Affiliative	Democratic	Pacesetting	Coaching
The leader's modus operandi	Demands immediate compliance	Mobilises people towards a vision	Creates harmony and builds emotional bonds	Forgoes consensus through participation	Sets high standards for performance	Develops people for the future
The style in a phase	<i>'do what I tell you'</i>	<i>'come with me'</i>	<i>'people come first'</i>	<i>'what do you think'</i>	<i>'do as I do now'</i>	<i>'try this'</i>
Underlying emotional	Drive to achieve, initiative, self-control	Self-confidence, empathy, change catalyst	Empathy, building relationships, communication	Collaboration, team leadership, communication	Conscientious, drive to achieve, initiative	Developing others, empathy, self-awareness
When the style works	In a crisis, to kick start a turnaround or with problem employees	When changes require a new vision or when a clear directive is needed	To heal rifts in a team or to motivate people during stressful circumstances	To build buy-in or consensus or to get input from valuable employees	To get quick results from a highly motivated and competent team	To help an employee improve performance or develop long-term strengths
Overall impact on climate	Negative	Mostly strong positive	Positive	Positive	Negative	Positive

Source: Daniel Goleman, Leadership That Gets Results

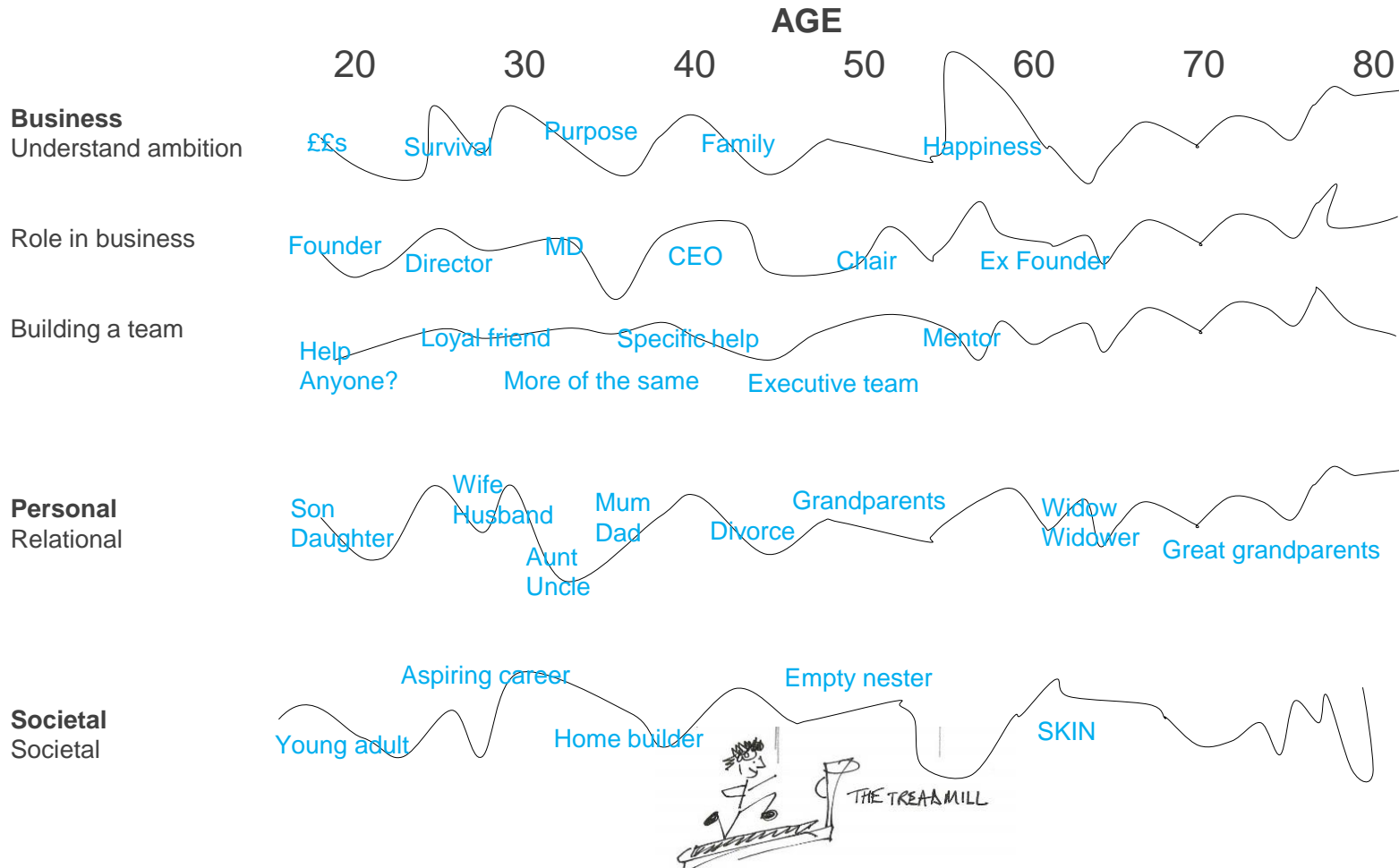
How is your leadership style influencing your results?

Easy to say, hard to do

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How are your other roles influencing your leadership transition?

Individual reflections

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What is influencing me and my outlook?

What leadership does my business need?

What transition do I need to make?

What team will enable me to make that transition?

Dates for your diary

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Cog:ent 2.2 21 January 2016

Winning the war for talent

Cog:ent 2.3 14 April 2016

Successful strategies for growth

Cog:ent 2.4 14 July 2016

Technology enhanced business