

Good morning. This is Wayne Rivers at The Family Business Institute. Thank you for tuning in. Don't forget about Boot Camp, which is coming up on October 21st, this fall. I think you'll get a real kick out of it, so check in with Charlotte and she'll give you the information.

This week, I want to talk about '*If You're the Lifeblood of Your Company, You've Doomed It to Failure!*'. It's a very bold statement, isn't it? It comes from an article from Entrepreneur Magazine, April 12th of this year by an author, Jeff Mead. He talks about how those of us who start companies and those of us who end up being at the senior leader level in companies have a really, really hard time letting go. We get the question all the time, "Wayne, when is the right time to begin succession planning?"

I read last week that the time to begin succession planning is the moment you get into that senior leadership position. When you become the CFO, COO, CEO type in your organization, that's when you need to start thinking about succession planning. It's never too late to start. Well, it can be too late to start. It's never too early to start, and unless things are really at a critical juncture, it's never too late to start, okay? So, you've got to start thinking about that plan. If you haven't already, start thinking about it right now.

Steve Jobs talked about ... He had a quote that's famous, I think, and it's, "It doesn't make sense to hire smart people and then tell them what to do. The idea is to hire smart people and have them tell you what to do." Jim Collins would say, "Get the right people on your bus and then let them help you with the direction of the bus. Let them help you drive it." That, I think, is a key dictum in business. If you want to be successful, hire really smart people, smarter than you. My wife says it's easy at FBI; but hire people smarter than you and then let them help you steer the bus. It makes so much sense.

So, I've got four tips for how not to try to be the lifeblood of your company, how not to be a bottleneck in your company. The first thing is, I know you're already doing this, but it can't be said often enough, you've got to recruit talent constantly. Even if you don't think you have the capacity or the payroll capacity to get a new person on board, do it anyway. Find a way to build that bench. If you see talent and you have an opportunity to get it in today's marketplace, get it, get it now. Even if you don't have ... Dennis says contractors think they have to be 110% busy, 110% of the time. It would just horrify so many of our members if they thought, oh my gosh, I'm going to hire a \$100,000 a year person, but he or she is not going to be supremely busy from the first minute. Forget that old fashioned thinking. Get that talent on your team, and you'll be glad you did.

The second thing is go ahead and plan your vacation. If you can't be away, and when I say away, I mean not checking in by phone and email all the time. If you can't completely disconnect for your company for a week or two weeks or a month, you've got a problem. If you're at a point where now you can disconnect for a week, good for you. That's terrific. Make your next vacation, schedule it out for six months, nine months, put it on your calendar, make it sacred, organize it with your family, and block off a two-week vacation. If you're already at the two-week stage, block off a four-week vacation, leave the country go ... well, post COVID. I think you can even do that now.

So yeah, leave the country, go somewhere, and you've really got to disconnect. You've got to be away from the phone. You got to be away from the email. You got to be away from the work texts. Disconnect. If your company can't get by without you for a week or a month, how are they going to get by without you for the next 10 years after you're gone? I mean, it's just common sense. So, go ahead and book that vacation now, and that's your deadline. So, you can work back from the deadline, what steps do I need to take to be able to be away from my company for a month.

The third thing is, I know we say this all the time, you've got to have a plan. You've got to have a plan to organize your company, to give it a central purpose, to give it a central direction. You've got to have mission, vision, values. You've got to have goals. You've got to have timelines. You've got to have accountability. Put together a plan. Even a poor plan is better than no plan at all. So put the plan together to allow you to be less necessary for your company. The ideal ... I've

seen some people that have been able to do this in their careers, and it's really terrific. They've been able to work themselves out of a job as a CEO. They've been able to hire great people and give them more responsibility.

Eventually, they wake up one day and the business goes great whether they show up or not. They still show up. They still have fun. They do the things they love to do, not so much the things they don't like to do. That's freedom, but they've worked themselves out of a job. That should be the goal of all of us as leaders, work yourself out of a job by hiring great people and giving them responsibility, so that you don't have all the responsibility.

The fourth thing is, this sounds funny when I say it, start stopping. You've got to stop doing all those daily tasks, daily, weekly, monthly tasks. You've got to pass them on to other people. You've got to slow down. You've got to cut down, because if you keep doing all those tasks, you continue to be a bottleneck in your organization and you're not going to be able to enjoy that month vacation. So, here's a rule that Jeff Mead writes about in his article. Many CEOs adhere to the 70% rule, which dictates that a task should be delegated if someone else can perform it 70% as well as the business leader. This might sound like a sacrilegious way to improve business operations, but it allows the leader to devote valuable time elsewhere. It makes perfect sense to me.

Here's an example. Let's say that a contractor is really, really, really good at business development, and it takes about six hours of his or her time to put together a deal. Let's say that's a project. All right, now, in a typical 60-hour work week, I know it's much longer for many of you, 10% of the executives' time can be devoted to BD. So that's six hours, which means one deal per week, okay? Now think about that, one deal per week. That's pretty good, 50, however many weeks a year you work, 40 weeks, 52 weeks, whatever it is. Now, you hire a competent business development person, somebody who's only half as good as the CEO, so that means it takes 12 hours to put together a deal. All right, that person's only going to work 40 hours a week, not quite as driven perhaps. Let's face it, BD is all ... is a very golf and daytime business-oriented kind of a thing. So, 40 hours a week, 60% of this person's time can be devoted to BD, right, because that's his or her primary function, so that's 24 hours.

The person is only half as good as the CEO, but still, that means that's four times more hours devoted to the task, which means, guess what? Two deals a month, two deals, or two deals a week rather, sorry. That's twice as 100% more than the super talented CEO could do. It's basic math. You hire people, you delegate, you give them responsibilities. You give them a narrow framework in when to work ... in which to work, and they produce more results than you can because they can devote more time to the tasks than you ever could.

There's an old commercial, when I was a young man. It said it takes a tough man to make a tender chicken. I forget what chicken company was selling, but it takes a tough man to produce a tender chicken. I'm going to say to this audience, it takes a tough person to be critically objective about what you do, when you do it, and how you do it. If you're holding your company back in this critical analysis, then you are dooming your company to future failure. So, take the four tips, and I'd like to hear from you what have you done to be less important to your company and bring other people on and grow them? This is Wayne Rivers at The Family Business Institute. Thank you.