The Little Book on BIG Growth for Overwhelmed Tech CEOS

How Savvy VCs Help Their Hard-Working Portfolio CEOs Build Themselves and Their Companies

$$\text{Effectiveness} = \frac{\text{Effort} \times \text{Learning Agility} \times \text{Strength Focus}}{\text{Unconscious Incompetence}}$$

BENOY TAMANG

The Little Book
on
BIG Growth
for
Overwhelmed Tech CEOs

How Savvy VCs Help Their Hard-Working Portfolio CEOs Build Themselves and Their Companies

by

Benoy Tamang

"In his new book, *On Big Growth for Overwhelmed Tech CEO's*, Tamang shares precious insights for CEO's on how to navigate the pain, pressures, and growth of a VC backed technology company. Leading such a company in a pressure cooker environment can be a lonely job and requires tremendous focus on growing not only the business, but also the capabilities of the CEO. As a leader of a large business in the world of helping organizations improve human behavior, I highly recommend this short and informative book as a must-read for all CEO's looking to grow their business and themselves."

- *Sean Covey, President of FranklinCovey Education and Co-Author of the #1 Wall Street Journal Business Bestseller, The 4 Disciplines of Execution*

"Benoy Tamang knows first-hand what it takes to succeed in the tech start-up world. BENOY HAS DONE IT! The Little Book on BIG Growth provides an inspiring blueprint on the "how" to be a winning CEO and get the right results. It is full of proven principles that create lasting value, joy, and happiness in your journey of being a successful leader and CEO. This book is a jewel and worth its weight in gold."

- *Steven R. Shallenberger, Founder of Becoming Your Best Global Leadership and Author of the National Bestseller: "Becoming Your Best - the 12 Principles of Highly Successful Leaders".*

Contents

Introduction

Why This Book?

It's a fair question. I don't like to have my time wasted. I doubt you do either. I wrote this book because starting and growing a tech business with OPM (Other People's Money) is one of the highest-intensity jobs in the world—comparable to ER doctors, firefighters, and special forces in the armed services (my dad was a Gurkha soldier in the British army). This role is challenging and intense because you are not only out to prove that your product will make a significant impact in the target market, but you have to prove it with millions of investment dollars of OPM. You must hire a team in short order. (Imagine speed dating your marriage partner—not the ideal analogy, but it shows the serious nature of choosing critical partners in a short period of time.) Then you have to grow the business fast while raising its value enough to generate more investment or sell the company for a sufficient return on investment.

Tech CEO coaching is rare. What exists does not have tailored support. What does exist is largely broken. You are alone. I understand. I have been there multiple times.

I wrote this book so that you, the tech CEO who has successfully garnered an A or B round of investment, has the tools to achieve the goals in your business plan. This guide will give you the proven formula to help you make that happen.

Let's focus for a moment on what this book is NOT: a shortcut to success. Merely skimming this book and putting it away after a weekend will not help create serious progress. You must be willing to go deep and do the work. I often tell prospective coaching clients, *"I cannot push strings."*

This book and the advice in it are designed to help those who want to be helped. Tech CEOs willing to put in the hard work, self-reflect, and put their egos aside while they adhere to the direction they discover, will find this work rewarding. The key is to possess the mindset to make this book work for you. As a coach who has helped many tech CEOs over the years, I know the insights entrepreneurs like you need to reach their goals.

VC-funded tech CEOs face a monumental task in maximizing the investments that venture capitalists provide their startups. They often fail to take full advantage of their opportunities. We often hear success stories involving startups receiving VC funding. These accounts make it seem like the answer to every startup's problem is to acquire more funding. They surmise that if you can do that, everything else will fall into place. This is not true. Once funding is received, the hard work begins! Far too many tech CEOs do not understand this concept. Acquiring VC funding is one thing. Taking their cash and maximizing their return on investment is the real trick.

VCs have an impossible game to play as well. Let's look at it from their perspective. Their job is to find startups that can dominate their industries while also ensuring the CEOs behind these startups do their best to grow the brand and maximize their earnings. Finding a tech startup with a competent CEO who has a vision that will maximize the return on VC investment money is an ideal that can prove quite elusive.

If it sounds like a roll of the dice for a VC to realize their ideal ROI, it's because this analogy and the odds of winning involved in these two scenarios are similar. This is why VCs focus on the improbable prospect of receiving an ROI of 10x on their investments. Investing in early stage tech companies is fraught with risk. VCs must play the odds to receive the overall return they are seeking by making windfall returns on their portfolio companies that succeed to make up for the losses on those that fail.

The relationship between tech CEOs and VCs must be fruitful. These two depend on each other for their mutual success. As the CEO, you rely on funding, expert guidance, and access to existing networks from VCs. They, in turn, expect you to deliver the vision, focus, and leadership necessary to use the financing you receive to grow your startup. Their return is maximized. Your gains skyrocket. Everybody wins!

The strategies in this book will greatly improve your company if you decide to put in the hard work to implement them. The kernels of knowledge found throughout this guide—coupled with the bursts of inspiration you will experience and capture as you study—will increase the likelihood of your highly successful exit. If you apply them, the principles herein will make you a better CEO and a happier, more successful person in general.

Throughout this book, I urge you to rethink your approach to business as well as the personal facets of your life. As you take time to reflect, you will find you can improve how you interact with family, friends, colleagues, peers, and others. Keep this in mind as you pour through these pages and evaluate your professional and personal relationships. In this way, you will maximize your returns well beyond the finances of your business.

As you take the lessons within this book seriously and apply them, you will discover you can define success for yourself. When you become adept at this skill, you will stop hoping things work out in your favor and you will naturally take the steps necessary to achieve your goals now, not later. You will begin to live a life defined by you and not others—preventing you from wasting time, money, and energy living in fear or indecision while hoping someday fate will lend you good fortune and maximize your startup's return. Remember: *hope is not a strategy*.

Indeed, this book is about gaining the skills needed to maximize your VC relationship, successfully increase the value of your business, and masterfully prepare your company for subsequent rounds of investment and your ultimate exit. It is also about becoming the best version of yourself in that process. These results are dependent on each other. Ultimately, there is no “business life” and “personal life.” These facets of our lives weave together to bring us universal success or comprehensive heartache. The decisions we make determine our realities. The most successful CEOs understand this truth and work diligently to show up in their best form for every person in their lives, every day. Your tech startup presents a powerful vehicle for success in every facet of your life. See VCs as your ally in enjoying your 360-degree success and they will continue to reward you with the funding and other resources they possess to help you consistently transform your visions into reality.

I invite you to think about why you want to improve your role as a CEO and your overall life. Is it for your professional aspirations or legacy? Do you want to improve the lives of your family members or others around you? Is there a source of passion that drives you to focus on this particular industry?

Identify your “why.” Write it down. Focus on it as you engage in studying this guide and completing the self-reflection activities in each chapter. (You’ll want to have a journal and pen or laptop available to thoughtfully address the questions in the self-reflection sections throughout the book.) Pay attention to whether your “why” changes over the course of time as you revisit and employ the principles and practices I share with you. As you and your company grow, you’ll discover different insights each time you invest in yourself by coming back to this book for additional “sessions” together.

As you become the sponge the people in your life need you to be—absorbing the insights and lessons you’re about to discover—your ability to see, love, and lead will increase exponentially. Ready to go? Great!

Make sure you have your “why” written down and embedded in your mind. Then let’s jump to Chapter 1 and share some fresh perspectives from VCs. *See you inside!*

- Benoy Tamang

Chapter 1

Fresh Perspectives from VCs

Tim sat down in front of me via Zoom®. He loudly breathed out a sigh. He was not happy. When I asked how he was doing, Tim looked me directly in the eyes and bluntly said, "I would do ANYTHING not to talk to Anthony," who was a board member of his company.

For the next 10 minutes, he talked about how Anthony routinely didn't understand his business, didn't try to learn about it, and showed no interest in how Tim was doing. However, during board meetings, he persistently provided his advice and would often call spontaneously to advise Tim on how to do things. As a matter of fact, just prior to Tim's weekly 30-minute Zoom coaching call with me, he had made one of those dreaded calls.

"Anthony’s advice is crap. He knows nothing!" Tim exclaimed.

I asked him, "Does he really know nothing?"

Knowing where I was going with that question, Tim quickly retorted, "Of course he knows things. But he is so infuriating! He has this smug way of making me feel like I am nothing! Yes, he knows things. But he doesn't try to understand how my business functions before he pontificates from his high horse. Just because he is my lead investor and represents his famous company on my board doesn't mean he understands my business. He shouldn't be allowed to force his advice on me!"

I was about to respond, but Tim was not finished ranting. "He should come down from his ivory perch and try to understand me and my business. Instead, he just calls whenever he wants, asks me some questions, and then shares advice even after I reply to his questions. I wish I hadn't taken his money!"

Having experienced this kind of emotional outburst many times, I offered no immediate solution. Tim just needed to vent, be heard, and get his feelings out in the open. After a cooling-off period, I started a discussion with Tim that focused on how his “evil” VC might possibly be looking at his company. It helped cool Tim off and opened a better conversation about how everyone involved can help each other be successful.

Since this book was written for technology CEOs and leaders after acquiring investment, I will not focus on how VCs run their business model, interactions, relationships with their limited partners (LPs), and so on. You’ve already discovered these realities. Instead, I will offer insights shared by VCs who want their (and others') portfolio CEOs to understand where they stand post-investment. The goal is to debunk the common myths about VCs and their agendas.

Many CEOs put VCs and other board members on pedestals—at least initially. These VCs are seen as understanding small businesses and their issues, egos, and internal operational inefficiencies. And they do, to a large extent. However, no one—including a VC—can be expected to understand everything about every business. Appropriately honoring your VCs means appreciating what they bring to the table, along with patience as they work to understand your specific company.

No business is perfect. I have talked with enough of these VC general partners (many of whom refer appropriate CEOs to me) to share with you that they are not perfect either. They would like you to know, as a CEO, that beyond the assets under their management, the current funds or "dry powder" they have available to invest, their numerous successful exits, and their time as seasoned board representatives, they are also humans. They have shared the following points with me so I can accurately represent their needs for successful interactions and their observations of how portfolio CEOs can sometimes inaccurately view them.

Almost all VCs share the following themes in how they see their portfolio CEOs succeeding (post-investment). In no prioritized order, and only providing the top five responses, these themes come through consistently concerning successful CEOs:

- **TRUST:** The CEO seeks to develop trust with the board and team members.
- **SELF-AWARENESS:** The CEO is aware of his/her unconscious biases and has the willingness to work on them.
- **STRONG SUPPORT STRUCTURE:** The CEO has a strong relationship with individuals and loved ones beyond the office environment.
- **CONFIDENCE:** The CEO displays effective confidence without hubris.
- **LEADERSHIP:** The CEO has the ability to create a team that can execute a plan quickly to capture market opportunity.

While many tech investors consistently reveal the main elements of how they assess an investment (disruptive technology, ample market opportunity, and the ability of the team to execute), many other softer factors also play a part in the assessment, including the attributes of the CEO, as mentioned above. Notably, investors state that many factors can increase or decrease the success of an investment, and they desire that CEOs have some insights into these before and during the investment relationship. Although board meetings and one-on-one meetings create a lot of opportunities for knowledge transfer from the investor to the CEO, investors also express that they appreciate it when CEOs understand that:

- Most failures in their portfolio of companies are triggered by poor product-market fit (with some attributing as high as 70-80% of the business failures to this attribute). While the product initially has merit and some customers have begun buying its value, the market may be smaller than envisioned, and the allocation of resources only seems to produce fewer returns for the effort. Prior to receiving the capital necessary to expand the product's market research, hope and initial sales make the entrepreneur excited that they have validated their concept. The business is still unprofitable, and personal resources are low. The entrepreneur believes that with investors' emotional and financial support, they can increase their reach and make their dream a reality. But even after receiving the investment, many discover that their product-market fit is insufficient, and the VCs find the “experiment” doesn't warrant additional funding rounds.

- Many VCs encourage growth and hiring with the new budgets because the window of opportunity to make the investment thesis a reality is usually narrow. Competition, market timing, and first-mover advantage all require speed of execution. Sometimes, founders feel an unnatural pressure from the board and investors to grow, grow, grow, and spend, spend, spend. They want to appease the VCs and board by spending, however, the “operator” in them says some of those uses of funds may not be the most beneficial. Market tests, ongoing innovation, and increasing demand are all valid uses of the allocated funds, but having the budget to carry out these activities is often new to them after running on limited funds for so long. The CEOs I coach are often worried that the pressure to spend the investment may be too extreme because they do not know HOW to spend the money, and they worry that they are incapable of hiring the right leaders to allocate funds correctly. Most founding CEOs have learned to be frugal with every dollar, and the mindset shift required by their investors to spend rapidly is emotionally hard to stomach and physically hard to execute.

- VC partners worry just as much about the investors in their funds (the LPs) as the portfolio companies should about the VCs. The VC partners are concerned about how their LPs use pension and firefighter funds, the monies of which come from millions of ordinary citizens. The poor return or management of this investment in the VC means that all of these lives could be impacted, and the managing partners have consistent pressure placed on them to perform and deliver on their promises to their investors.

- Portfolio companies are like family to many VC partners. In addition to thousands of hours spent on the phone and video calls (sometimes at all hours of the night, on weekends, and on vacations), the welfare and deep understanding of the business are centered on the CEO—the health, the clarity of thinking, the worries, the strategic and tactical action plans, and ultimately, how he/she can work through problems and grow the business consistently. The VC is deeply interested in the team's success, particularly the leader, who must be available, provide counsel and network help, and generally do as much as possible (without being an operational contributor). This becomes the investor's goal.

- At the same time, the board members and investors may have to make some hard decisions that negatively impact the CEO and the organization. The ability for the CEO to see the perspective of their business from the elevated level of experience of the investor will help reduce the natural inclination to see the VC firm as the "bad guy." With countless hours spent on the business and responsibility to the LP, the fund performance, and the employees of the many portfolio companies, hard decisions sometimes have to be made by the investor. As one very successful General Partner wisely said, "The investor's decisions will always be unpopular with somebody!"

- The company's success also has a lot to do with the support structure for the CEO and founder. With the commitment to risk all and the insane effort required to start a business, the life of a founder CEO is not one of ease. The opposite is true. Not only is a work-life balance often nonexistent, but the financial sacrifice can be vast and life-impacting. To make this challenging journey and do it successfully, the supportive environment provided by family, friends, colleagues, and advisors must be sufficiently strong to enable a safety net of emotional comfort and encouragement during tough times. The stronger this network, the better the CEO's chances of success. The VCs know this and want to ensure this strong network exists for the founder and the CEO.

One exceptionally talented CEO I coach had difficulty growing his business with significant competitive headwinds and had to deal with a loveless marriage that offered no understanding or validation when he needed it. John was facing the prospect of reducing expenses drastically at the onset of COVID-19 in 2020. While the business was experiencing a respectable 30-35% annual growth rate, the company had not yet found the combination of product alignment with the market, and internal operational execution was just starting to hit its stride under new leadership. The ramp-up in expenses with new executives and additional engineering, sales, and marketing personnel meant the company was burning over $1.5M monthly before the pandemic. The April and May months of 2020 caused global uncertainty in the markets, health requirements meant isolating workers from the office, and travel ground to a halt. Like many businesses, the rates of closed sales at John's company dropped, and the pipeline of prospects dried up to a trickle in the early stages of the pandemic.

With sales dropping and no confidence being shown in the sales pipeline or with the board, this CEO had to reduce costs to preserve as much cash as possible from his investment round. Having grown the business consistently before investment and additionally with the investment dollars, this period of reducing 50% of the staff was a very stressful time for this founder and CEO. Many new and even original employees would have to be let go.

The pandemic was brutal for all companies and their CEOs. The balancing act of knowing who to cut, how not to cut too deep, how to motivate those who remained, how to service existing clients with less personnel, how to budget the severance dollars so that the reduction in force didn't unnaturally drain cash, how to communicate this decision internally with all employees worldwide (with some countries being dramatically affected), and a host of other decisions weighed heavily on every leader's mind. It took an exceptional toll on John, the CEO. Besides enduring sleepless nights about the business, John had a 15-year marriage in which he had no voice in raising his children. With time, John and his wife had increasingly volatile disagreements, and deep fractures occurred in the home, particularly around the children and how they were to be raised. This resulted in deep resentment toward each other. Loud arguments and the growing emotional war created no resting place at home for John to recharge. On more than one occasion, he said that work was a more relaxing and peaceful place for him to spend his time.

The main point of this example is that when this CEO faced serious business challenges, there was no safe haven at home for him to find love, support, clarity of self-worth, and ultimately the ability to recharge and go back and tackle business issues. Instead, the CEO had double the pressure and pain of serious business and home issues to tackle. He was tired, drained, lonely, and understandably emotional in his conduct at both places. He consistently suffered from ill health (which he blamed on his young children sharing "their love") and a cough that never disappeared. Strong, enveloping support is critical to business success. Imagine his business growth rate and ability to exceed goals if he had had a very healthy marriage and life outside of work.

On a personal note, I know that investment is necessary not just to produce more sales to expand the business opportunity but to have enough money to live on. The desperation to make the business and family succeed changes the intensity of the investment search, and not always in a good way. I have personally gone "begging" family members, close friends, and neighbors. The desperation was palpable. So, yes, personal financial hardship can be disguised, at times, as an "investment opportunity," but it should never be misrepresented. Ultimately, all parties are negatively impacted, and the burden of payback rests on the founder. But then again, many of you know this, having gone through such trials yourselves.

Now, let me share with you a valuable lesson that a client of mine taught me. Although I remain in a constant state of learning and pick up tips from the CEOs I serve, this particular individual showed me something extraordinary about how to attract investors. It was a lesson that changed my thinking about the topic, and I'm sure it will also alter yours.

Grooming Investors – Playing to Their Strengths

A client came to me concerning a certain issue, but he ultimately taught me a valuable lesson on how to properly pave the way for garnering investment capital. Bob had created a successful tech company with a number of investors who were always willing to be included in each consecutive round of fundraising. When I understood how he accomplished this, I found it both insightful and inspiring. Bob had discovered and aptly learned how to use his superpower!

Bob had a background in management consulting, which he gained through his experience at several prestigious companies before launching his own business. What he realized early on was that you cannot search for the required funding at the time you need it. Instead, you need to groom relationships considerably early in the process so you don't have to jumpstart a cold engine.

Bob grew his business in an extremely unique way. Fundamentally, he had the ability to create and inspire a network. He accomplished this by talking to potential investors roughly two years before he needed any money, through a calculated and deliberate schedule. He visited each member of his network every six months to check on their welfare and prudently provide them with updates on his business affairs. This approach aroused their curiosity about how his company's story was panning out. The constant drip of information concerning what Bob had done, what he intended to do, and what he had learned along the way impressed upon the minds of these investors that Bob was indeed a very focused and competent leader whose product-to-market fit was clearly gaining traction.

Over time, as the launch date drew closer, these investors started pestering Bob with their intentions to learn more and request that they be financially included in his business. At that point, Bob modestly informed them that the time for investment had not arrived, but when the time came, he would be happy to provide them with more information. Proceeding in this way, he built up an emotional commitment from these investors even before the business required investment funds by providing long-term, focused relationship-building exercises on a six-month schedule. By the time he needed the financial boost, he already had a significant pipeline of interested investors from which he selected those he wanted to participate.

If Bob had not understood his strength—his superpower—he would not have been able to garner such success. Even during tough times, such as a recession, his cash in the bank was considerably more than any of the portfolios of my other CEOs because of his deliberate focus and patient implementation of a designed plan.

In this particular case, I wanted to highlight Bob's strengths and unique area of expertise and not point out yet another unconscious incompetent behavior. My motive is to show that when you have personal/business balance, you can make more of an impact on the business because the perspective and the effect are based more on competency and seeing the bigger picture than on some unconscious reaction. Bob has a strong family background. He has two boys, and the journey to becoming the president and strategic leader of his company was based on performance and strengths. Throughout his journey, there has been and continues to be an ever-growing level of balance because he understands he can make mistakes and acknowledges when he has done so. When he acts according to one extreme perspective or another and an error occurs, he has the capacity to forgive himself.

In our discussions, he would freely admit, "Yes, I was in a fear-based, inward mindset this week," and then we would talk through it. One week, he came to a meeting and abruptly declared, "I'm in a bad mood, and I've been in a bad mood all week. I don't know how to get out of it."

I didn't judge him or try to instantly address the problem. I believe he was expecting that. Instead, I told him, "Guess what? Let's just be in a bad mood today. There's no immediate need for you to jerk out of it. Let's just sit in it and be aware that you're in a bad mood. It's okay. We don't have to be happy and smiling all the time, presenting a face that is not sincere, real, or sustainable. So, let's just wallow in it."

Bob had already discovered the value of being real and authentic. He didn't suppress his emotions but allowed himself to share them. The integrity behind his ability to communicate his feelings and show others they could do the same allowed his employees to celebrate and conclude, "Hey, when we lose, we can learn from it and nurse our wounds. Then we can come back stronger and better!" Bob was happy to allow that. He was balanced enough to understand that no one is perfect, and we all have unconscious elements that come into play. Bob knew what his role was in the company. His leadership meant that he allowed people the space to explore, misstep, correct their courses, and grow. Another key role that supported his people in their journeys was to ensure there was sufficient cash flow for his high-growth machine to operate by applying his extremely wise and disciplined approach to fundraising.

SELF-REFLECTION

Let's pause our conversation for a moment and allow you to reflect on the thoughts you've had while reading Chapter 1. Use the journaling method that works best for you and answer the following questions. You are the only one who will be privy to your answers (unless you choose to share them), so please be open and honest with yourself. The insights you'll gain will help you set the stage for stronger relationships, improved skills, and faster growth.

• How do you view VCs? Are they allies? Do you struggle with them in any way? If there is any tension in your thoughts, what is it based on? What can you control that may change those relationships and, therefore, your views? Are you willing to make those changes? What is your course of action?

• What is your relationship like with your team members, from your fellow executives to your entry-level employees (and everyone in between)? How can those relationships be improved? What are you willing to do to invest in those improvements?

• Regarding the five themes I introduced as crucial for VCs, how would you rate yourself? Where are your strengths? What about your weaknesses? Where is the low-hanging fruit you can quickly harvest by implementing the positive changes you know you can make in these areas? Take time to address this self-assessment for each of the five themes:

TRUST
SELF-AWARENESS
STRONG SUPPORT STRUCTURE
CONFIDENCE
LEADERSHIP

• What are you doing today to nurture relationships for future rounds of investment? What insights did you gain from Bob's story that you can implement right now that will pay off when future funding is needed? How are you sincerely connecting with potential investors in a way that consistently lets them know they (not just their money) are important to you? What are you going to do this week to step up your game in this regard? How will you create a system that will help you be consistent in these efforts?

Chapter 2

Formula for Effectiveness

We received word that the expected board member had just flown in on his private plane for the meeting. I was scheduled to give a presentation as the Sales & Marketing VP for the startup in one of our first full board meetings. We had recently received funding from some of the premier investors of the mid-90s—Hummer Winblad, Kleiner Perkins, and Integral Capital Partners, to name a few.

I walked into the meeting to give my portion of the presentation. This particular board member, Will, had arrived and was pounding the table with an expletive-laden string of comments and advice. I was surprised he exhibited this level of emotion. But without context, I didn't absorb any of his tirade as a personal attack. Looking back, I guess there could have been reason to be more nervous or even afraid of the environment and mood in the meeting. Instead, I merely took my seat.

When it was my turn, I stood up and shared the presentation slides, giving my recommendations along the way. "The sales channel needs to be a single-tier channel model of VARs and integrators that will sell our solution as part of a complete hardware/software package," I explained.

We specialized in 3D animation during the early days of the industry. Thus, we needed these channel partners since they had already proven their expertise in the industry with their high-end computing hardware and cutting-edge 3D software. I recommended to the board that this "channel strategy" would need to be globally implemented as the total addressable market (TAM) was very limited. Hence, we needed to expand globally—and fast.

In a gruff tone, Will asked me, ″Why the hell can't you sell directly?"

While there was a palpable feeling of quiet nervousness in the room, I didn't pay it any mind. I was in my zone of expertise and had anticipated such a question. Without hesitation, I gave him an answer. "Will, with our employee base of just over 60, and with our goal to grow top-line revenue fast, we can achieve our target with an army of in-country 3D integrators who already have relationships with customers that will buy at our upsell rate. Hiring, training, and creating relationships of similar value and impact would take too much time and resources to achieve the same results. I hope you can see this line of logic."

My response exhibited confidence, not arrogance, and my CEO was just as relieved as I was to hear Will verbally agree with me. When you have prepared for a presentation or a role and are aware of your value and how you can contribute, you are in a competent mode, and the likelihood of withering under pressure is less likely. We all want to appear competent unconsciously and naturally. It requires preparation, however, the result is always worth it. We need to be aware of our impact and have a subconscious belief in ourselves. With those two elements combined, we can achieve anything we set our minds to.

I have a formula that I have been working on for about a decade. It measures the effectiveness of the performance of tech CEOs. I have personally experienced this formula thousands of times, and now, as a coach, I see it play out in 100% of my coaching conversations and engagements. It's remarkably accurate in gauging how impactful a CEO or leader can be. As for the formula, I will get to that in a moment. But first, it's essential to understand effectiveness, because you must first understand this concept in order to fully comprehend the meaning of success.

Let's start with success. **Success is the measurement of long-term prosperity or the attainment of goals.** Luck tends to be involved to some degree when it comes to success. For me, success defines a positive impact on life and lifestyle when macro goals have been accomplished that may span multiple projects and groups of people, which lead to the prosperity of the whole.

If success is the measurement of long-term prosperity, then naturally, **effectiveness is the measurement of short-term momentum toward producing the desired result.** In other words, it determines how well your current activities are supporting your long-range pursuit of success.

Effectiveness is more tactical than success. It uses logic to figure out what works, what does not work, and how you can maximize the positives to become as profitable as possible. Effectiveness is, in a sense, the fuel that allows your tech startup to grow. Understand the significance of specific practices, and you have figured out what to do to reach those new heights.

To better understand effectiveness, we must also understand the reality of success. What does it mean for the individual to be successful? How can you define that? My tech CEO coaching doesn't focus on startups still in the pre-seed or seed level of maturity. I work with companies that have reached a level of maturity that demonstrates a viable product-market fit that warrants the next level of an A or B round of investment. I call it the “grow like hell” investment stage, where speed of growth is the focus.

But before we get to that, let’s explore how Joe came up with a definition of success for himself. Joe had scraped and fought his way to successfully sell 60% of his business to a private equity firm. It took him almost 13 years to get to this stage, and he sought my coaching services after his sale. Interesting, right? Most people come and ask for help growing their business so they can have a successful exit, with most, if not all, of their equity being converted into cash. Not Joe. He asked for help in identifying why he did not feel successful. He wanted to gain purpose and direction on how to feel like a *real* CEO now that he had investors on his board. It was at this stage that he felt an obligation to perform even more, yet he thought himself inadequate to do so.

Would Joe feel this way if he had chosen to continue on the path he had been on for the past 13 years? What if he had been transitioned out of his job or given an advisory role instead of remaining as CEO? Wasn’t he “successful” now that he had sold the business he had created? He was financially set for life and could buy homes in Hawaii and Oregon like he and his wife always wanted. Why did he even need to reach out to me?

It comes down to asking the following questions: What does it mean to be a successful CEO? Who defines what makes a successful CEO? Are CEOs less successful if their startup tech companies are already earning profits and on track to organically grow—albeit slowly—into eventual name-brand companies? Or are they considered more successful if they seek out investors, find them, and grow substantially from those efforts? Are CEOs considered failures if they don't take on investors but rather choose to develop independently?

What about tech startups with stellar ideas and small customer bases that never attract prominent investors? Are they still able to grow their visions, reach their true potential, and become significant players in Silicon Valley? Are these startups considered failures just because they could not attract investors with name recognition? Should acquiring investors even be mandatory for tech startups in the first place?

Let's assume a tech startup that is growing organically does take investment money. Great. Now imagine that the brand grows rapidly but without fanfare. It isn't labeled as a “unicorn.” There is no skyrocketing growth. It does not gain broad brand recognition. But it is far more profitable than before the investment. Does it have a dedicated base of customers? Even though the startup’s industry and society are not rolling out the proverbial red carpet, was the CEO still successful, or a failure because the company did not grow further? Some people will call this scenario a success. Others will say it is a failure. Why?

Furthermore, why do some tech CEOs/founders feel they succeeded when they obtained funding and their startup folded anyway? Is their definition of success based on how many customers they accrued or the dollar amount investors poured into their failed tech startups? The answers come down to the experiences and influences that shape each individual's definition of success.

I have started multiple businesses—many from scratch—and have assisted founders from an array of tech startups to get going. I have also coached many CEOs, founders, and other business leaders. Do you want to know what they all have in common? They were able to identify their own versions of success, which allowed them to succeed.

Suppose you don't have a clear idea of what success looks like for your tech startup. How are you supposed to know which facets you should focus on to grow it to its full potential—or even determine how to thrive after investment with the addition of seasoned executives? Sure, you could look at other CEOs to get an idea of what success looks like for them and attempt to apply one or more of their strategies to your tech startup, but will you see the results you are hoping for? At that point, you're trying to apply someone else's vision of success, hoping you will get the same positive results. It's like trying on someone else's suit with a hope it will fit your particular build. There is no such thing as a one-size-fits-all formula guaranteed to grow any brand. We are not growing crops or building something on an assembly line. As I said, you must identify what success means to your tech startup and determine the best approach to achieving that success.

The good news is that you don't have to figure it out alone. We're going to do it together. Join me as we learn how to identify what success means for your tech startup and the tools needed to get results. Eventually, you will be able to exit your tech startup after growing it to fruitful heights quickly and with purpose.

Let's break down this formula for effectiveness together, shall we?

The formula I propose is based on the principle that "effectiveness" is how individuals impact people around them—at work, home, and with friends—to achieve desired results.

$$\text{Effectiveness} = \frac{\text{Effort X Learning Agility X Strength Focus}}{\text{Unconscious Incompetence}}$$

Note: Unconscious Incompetence can be also viewed as Emotional Clarity. Source: Broadwell, Martin M. (20 February 1969) „Teaching for Learning" (XVI)

To better understand this formula, let's look at what you know. Think back to a few of your past jobs. While you were there, did you notice there were talented and experienced professionals who were hard-working yet failed to perform to their potential? I'm willing to bet you have noticed such folks.

In one of my companies, where I was part of the startup executive team, one leader was brilliant in his thinking, strategy, and insights. He had a Harvard MBA. His contributions were quite valuable, and he had lots of ideas. At the same time, the results he gained were not proportional to his intelligence and insights. Somehow, from the point of discharge to the point of impact, the effectiveness of his input dropped off or failed to materialize altogether. The potential appeared huge, but when implemented, the efforts did not rise to the level of the expected potential. His effectiveness was consistently diluted. You have probably seen this same sort of waste of potential happen to work colleagues, friends, and family members.

Why did this happen? Why does it seem so difficult for professionals to operate at peak performance? Is this occurring in your workplace now? If so, why? Do you think the business would be better off if employees—especially the CEO, department leaders, and even board members—operated at their peak potential? Of course it would!

This phenomenon happens because of something called "Unconscious Incompetence" (UI) or, in other words, the incompetencies we have of which we are not even aware. They kick into gear and execute themselves on autopilot without our cognitive input. We all have them. Becoming aware of them and overcoming them is an ongoing process for all of us. We'll dive into how to do that later in this book. For the purposes of this formula, simply know that the higher our UI, the lower our effectiveness.

Now that you know what we're focusing on, let's put the formula to good use. Using a scale of **1** as **"low"** and **10** as **"high," let's put some numbers into play to show the theoretical impact of this effectiveness formula.**

Apply these numbers to the following categories:

- **Effort**
- **Learning Agility** (continuous learning/training)
- **Strength Focus**

If I am a CEO that scores a **9** on effort, **7** on learning agility, and an **8** on talent, notice the lifetime performance impact if I score a **3 (low UI)** as opposed to a **7 (higher UI)** in this formula:

Effectiveness with a lower level of UI: (9 X 7 X 8) / 3 = **168**

Effectiveness with a higher level of UI: (9 X 7 X 8) / 7 = **72**

In this construct, effectiveness with a **higher score is better** than a lower score. We rob our effectiveness when we demonstrate a higher level of "Unconscious Incompetence" (UI). Although these numbers are arbitrary, you can see that there is a linear correlation between the level of UI leaders exhibit and their effectiveness. A higher level of UI **directly counteracts** all your effort, ongoing learning, and strengths. Therefore, the fastest path to increasing your effectiveness is NOT more effort, more education, or more focus on your strengths; rather, it is reducing the time you spend operating in a state of UI because this one change multiplies your efforts, education, and strengths. Again, we'll go deeper on this concept later to help you understand how to get out of the UI sinkhole.

Not being aware of the realities of this formula costs CEOs precious time and resources every day. They set lofty goals which, in turn, do not transform into reality. Their results fall short. They push to do more, learn more, and develop their strengths only to find they continue to achieve lackluster results. By the time you've finished reading this short book, you'll be armed with the insights necessary to exit this cycle.

Here's just one example to get your mind going on the application of this effectiveness formula: The sales team doesn't produce the number of qualified opportunities before the start of the quarter. Marketing gave them their leads, and *SalesForce*® training was completed (repeatedly). For the inside sales team, demos were set up, and 80% showed up for their appointments. So, why didn't the team meet their pipeline goals?

This scene plays out regularly in all departments, all projects, and all elements of focus. And I'm not just talking about poorly established processes or standard operating procedures (SOPs). Even with the best-laid plans, the results consistently don't meet the expected outcomes. However, when you understand the meaning of unconscious incompetence and its effect on how efforts play out, you will realize those efforts mentioned were indeed as effective as planned.

This is not a science-based formula. Nor is it a declarative statement of some absolute truth. In the example above, I just wanted to show the significant impact internal unconscious incompetence has on performance. We all have forms of unconscious programming that undermine our performance. To be better at our work and achieve more desirable results from our efforts, we need to be less driven by our unconscious programming, where the central hindering element is fear.

In subsequent chapters, we will delve deeper into the elements of this formula to uncover its power in diminishing unconscious programming.

SELF-REFLECTION

• How do you define success—personally and professionally? What makes you feel successful as an individual, friend, spouse, parent, and/or in other roles you play? What about as a CEO? What makes you successful in that role? Is this solely your perspective, or do others' views influence your self-view?

• Does taking on investment money change any of your views from the previous questions? If so, how? How do you see your success with and without investors?

Chapter 3

Nominator Issues

My formula for success is not designed to look visually compelling. There is, however, true power in utilizing it. To truly understand its power, you have to grasp the ideas behind every aspect of the formula.

I will get to those aspects soon, but let's take things one step at a time. First, let's break down every facet of the nominator. By doing so, you can easily apply this formula for success to your own tech startup.

Effort

We all know that getting any startup off the ground takes substantial effort. But knowing how much effort to exert to keep it going is more important. You should be ready to put in 150% effort.

If you are having difficulty measuring what 150% of effort looks like, consider how much work you do at your best performance during your work week. Then, visualize adding 50% effort on top of that. This will give you an idea of what your workload will look and feel like. Suffice it to say, it's going to be difficult. Even so, this formula is meant to prepare you for the inevitable. If you are prepared, your chances of success increase.

Sure, hard work pays off. Working smarter, however, is vital when investors are banking on your tech startup to fatten their accounts. You should be prepared to manage and lead your employees in a way they will understand and carry out their roles and duties. If you delegate authority correctly, your leaders and those under them will carry more of the load, giving you the freedom to focus on your personal talents and areas of expertise. This will ultimately lead to the growth of your company and your brand.

Improving yourself is one way to maximize your company's output because, as the CEO, your contribution directly affects its performance. Therefore, you cannot separate improving your work performance from evolving as a person. When you improve one, the other is also affected. Therefore, improving and investing in yourself will leave a mark on all you do in all areas of your life.

A good way to manage your self-care is to always consider the saying "the body keeps score," which means if you do not take care of your body, it will ultimately lead to health issues. It's inevitable, and it will happen. There is an ocean of proof to back this up. Doing what you can to care for yourself now so you don't suffer from the grief of poor health later in life is even more important than the effort you exert directly toward building your tech startup. One client I coached always had the sniffles. His immune system was compromised because of the constant long hours, stress, and his relatively low physical activity rate. His health hindered his work performance, and the pressure of work degraded his health. It was a vicious cycle.

There's no point in growing a business if you can't be 100% present and on your "A-game." If you are not optimally healthy, you are not only lying to investors, but you are also lying to yourself by not being prepared for the long haul. I *always* dig into the health plan of each CEO I coach so essential health hygiene topics are addressed. Some clients have changed their lives dramatically (for example, by engaging in MMA training at a gym), while others have just been more consistent in their eating and wellness plan (including, in one case, riding a one-cycle through the surrounding hills for balance and mental release). It's essential to create a plan that you enjoy and will stick with.

Caring for your mental health is also critical. Make the time to get away from your usual work (and even home) surroundings to relax. You should try to get out of the city (if possible) and away from all the distractions of your hectic life. Go to the mountains, wilderness, forest, lake, or any other place where you can put your devices away, sit back, close your eyes without interruption, and contemplate…anything. If you cannot find a place like this, go to a neutral area in your vicinity where you can escape the distractions that weigh you down mentally.

According to a survey[1] on modern US life reported in 2022, 60% of people said that they don't even have a full hour per day of outdoor time. Never in the history of humanity has it been more critical to embrace the magic that nature provides to heal the mind and body by spending more time outdoors.

However, caring for your physical and mental health isn't a few-times-per-year endeavor. You should incorporate relevant exercises and practices into your routine on a regular basis. Another idea is to consider learning new systems or skills in your spare time that will benefit your work and enrich your life (e.g., cooking, computer programming, a new spoken language, etc.). You might also consider learning a sport or a game you've never played. Enjoying these

[1] https://medium.com/building-h/a-survey-of-modern-life-outdoor-time-3a99d9fa3acb

activities with others in your family or community will increase the benefits for everyone involved.

Physical exercise is essential. Consider joining a gym that is on your daily commute. Or purchase one of the many exercise amenities on the market and take advantage of an in-home gym workout. The options are vast, and you are certain to find a means and schedule that will work for you.

Although this approach to your physical and mental well-being may seem like a waste of time and money, it should not be looked upon in that manner. Every bit of effort you exert—from the workplace to your family and recreational activities—ties back to your success as a CEO. All these aspects work together in harmony. Family balance, physical health, mental breaks, and a focused work ethic all play a part in being a high-performing CEO.

Constant Expanding and Learning

Stan is a college friend of mine who, although not a CEO, reveals a lesson about the need to constantly learn in order to achieve set goals.

Stan came to see me recently on a seemingly simple yet quite complicated quest. He had been in his trade as a physical therapist for close to 30 years, but presently found himself lost as to who he was, what he was supposed to do, and what he could do for the remaining years of his life. The bottom line was that he had no more passion, and his wife didn't support his dilemma because her expectations were based on the financial benefits of their relationship, especially since their children were now grown and living on their own. Stan found himself in a "What do I do now?" moment.

The reason this is an important element to our theme is that I believe all CEOs will succeed if they are constantly learning and proactively searching for ways to improve their knowledge and self-awareness. This helps immensely towards becoming better focused on leading a company to a successful outcome.

However, Stan had not progressed. He had not evolved. He had not pushed himself to learn new skills or obtain new levels of certification. He even confessed to me that, outside of some minimal work after graduating and obtaining his physical therapy degree, any desire to learn and improve didn't exist. He could see the limitations in his career, but any new options he might otherwise pivot toward and learn from were gone. They weren't available to him because he was not prepared, trained, or certified.

Apart from the above statement, here's another even deeper concept to consider: **The performance of CEOs is directly tied to their home and personal lives.** This has been an ongoing theme in many of my client coaching sessions. This is a no-brainer. You may wonder why I have even mentioned this. In the case of Stan, his gentle manner and learning agility are one thing, but I sensed his life could have had a different trajectory if his personal relationship with his wife could have been on a higher level of quality and engagement. I happen to know her. She is a smart and beautiful lady with a headstrong personality. She is the Type A counterpart to Stan's gentle, laid-back personality. She is the driver. He is the comfort seeker. She likes to forge ahead with gusto and energy, while he prefers to take it slow and steady. You get the idea.

In any relationship, there is never 100% alignment. There is no perfect partner, regardless of what some may hope. We all have issues and baggage that cause problems and unmet expectations. At the same time, there is a level of deep communication, trust, and understanding that can be established with hard work, providing a foundation upon which to build a future together, including having both or either spouse feel supported in their professional or private life. When this occurs, there is happiness at home and a feeling of support from your partner for the things you want to do and attain. There is something empowering about feeling untethered and able to fly high and free. You know when you get to that level of confidence. You can tell when you are in that zone. From my experience, most people are able to show up to work and be more productive when there is stability in their personal relationships. The amount of distraction is less when home life is stable. There is a level of consistency in performance that comes with such an environment.

Because of my role in the intimate lives of my CEO clients, I have been privy to many "at home" issues, to which I have asked to be exposed. I care, and I want to help. And that means I would like to know how the weekend went, how the dialogue with teen children progressed, and how their goals with their spouses worked out.

I worked with a CEO who was going through a downward spiral in his relationship with his spouse. It was torturous, and it affected his work. Do you know what was even more painful? This was his fifth wife! Yes, you read that correctly.

I once had a CEO call me, mumble an apology for what was about to happen, and then immediately hand the phone over to his wife, who then grilled me on the details of the CEO Bootcamp that I had arranged for her husband. She wanted to know who else was going, whether any of the other attendees were women, where her husband was staying and for how long, etc. No wonder this CEO had developed a lingering cough—it was not entirely due to the stress of the CEO role.

I offer no cookie-cutter resolution as to how people should manage their affairs. I deliberately chose the example of a non-CEO friend, Stan, to highlight the effectiveness formula—that unconscious incompetence deeply impacts performance and comes from many sources, including the quality of the home or private life. Although I am not a marriage counselor or therapist, I have worked hard on my own relationship for nearly 40 years. When appropriate, I have been able to share with my clients some of the insights I've acquired, and I have witnessed many improvements. Occasionally, when I meet spouses or significant others, I'm generously (and sometimes embarrassingly) thanked by them for the improvements their mates have made during our work together. Yes, it can be a tightrope walk, but if done in love, most people don't interpret the help negatively.

Learning Agility

Learning never stops when you are a CEO. It cannot stop. The strategies you apply today will not always work next year or even next month. The world is changing rapidly, and you must do what is necessary to remain in the running. Learning is a long-term strategy that must be carried out with conviction. Variables in your industry, the economy, and what customers expect can all experience subtle or radical changes that will affect your current workload trajectory. Appropriate shifts need to be made in response to these changes to remain successful.

Thus, a CEO needs to be a sponge that constantly absorbs new knowledge. One must stay on top of the latest data injections and acquire the best strategies while always having a thumb on the pulse of what target audiences crave. But as we have already discussed, the full weight of this responsibility cannot entirely rest on your shoulders. Your team must also practice self-learning and knowledge application. They must also be dedicated to getting the training they need to constantly improve, with or without formal programs and courses. In short, your tech startup needs to be built around a culture of self-improvement where everyone is a team player striving to be better than they were the previous year. Creating this culture of self-improvement is the CEO's responsibility. Developing or providing access to the specialized training each individual needs is key to creating this culture. But training alone will not solve everything.

As you gain investment funding, hire specialists who know how to provide the results your tech startup needs—especially in the first year after receiving your initial investment. In this critical period of growth, CEOs need to hire seasoned executives. They should also ensure that the product development roadmap will fulfill market needs and create a plan of execution that choreographs multiple divisions to harmonize the strategy into a functioning engine of production. The first year is a particularly high-risk year!

I have encountered some CEOs who are intimidated by hiring qualified executives for their company. Others are simply clueless about what questions to ask or how to conduct a productive interview. The following is one encounter I had.

First-Time Executive Interviews

One day, Don called me in a panic. He explained how his company's HR department had set up several interviews for him to conduct in their quest to hire a new CFO. The alarming aspect for Don was that the interviews were scheduled to begin the following day, and he wasn't sure what role a CFO played in the company. He had no experience and little knowledge of this position, and because of the speed at which he had to interview these executive candidates, he was desperate for help with not only choosing a qualified person to fill the role technically but also someone that would be a good cultural fit for the company's environment.

I explained to him what a CFO does, but more importantly, I told him there are elements he must keep an eye out for in order to select a competent person who can competently do the job. A person can be technically qualified for a position yet not be a good choice for your company. Although he said he understood what I had explained, he still wasn't sure what questions to ask in these interviews to reach such a decision.

I could sense Don's frustration, so I ended up telling him, "Look, here's what I will do. You understand the big picture of what a CFO does by strategically helping you with your projections, creating a representation of your business in a pro forma manner, assisting to model and build the company's valuation, and all of that. I will create a list of some questions for you to ask that are designed to specifically target and reveal key qualities. I will email them to you ASAP so you can use them as a guide during your interviews."

Don was pleased with my suggestion, and we ended the call. I promptly produced two pages of questions he could use as a template. These were general questions about a CFO's duties he could use for interviewing potential candidates the following day as well as for ongoing conversations with the CFO he chose. As the CEO of his company, I expected Don to possess the intuitive skills to match a candidate to his company's culture, with which he was more intimately familiar. The most pressing tool he lacked was a basic knowledge of how to interview someone for the position of CFO, so I focused strictly on that need.

This approach ended up being successful. Don hired a wonderfully qualified person coming from VM Ware who was both talented and a good match for the company. Once the person was hired, Don called me and said, "Thank you so much. You saved my bacon!" He explained how much the line of questions helped him arrive at the right decision and how he could see them assisting him with future hires.

This example demonstrates a couple of key points. First, there can be great pressure when producing a fast-growth company. The speed at which decisions must be made can be fierce, and you may lack the knowledge and experience required to land competent leaders in such an environment. It takes humility and a strong stomach to go out and ask for help. As part of the "Effectiveness Formula," it helps to have an aptitude for learning agility. The speed of growth, the high risks involved, and the smart use of funds make all these types of decisions more intense. You must be fast in seeking out and learning from people, programs, and systems.

Second, as much as you may want to gain instant mastery over these types of obstacles, it takes time and coaching from outside sources for even the most talented CEOs to gain such experience. Assistance from those who have more experience or have repeatedly gone through the fire of venture-backed growth can help reduce the cycles required to be competent. I regularly see founders struggling with the ability to grow because their mindset is focused on an attitude of "I've got to do this myself." This line of thinking may have helped them start the business, but there comes a time when that founding CEO can become the bottleneck and constrict the growth of the company. At this vital stage of growth that requires outside funding, it becomes imperative to be smarter and not just work harder for the acceleration of growth to be effective. The CEO's mindset needs to be focused on getting talented help from those outside the organization, which requires humility and continuous learning agility.

Learning agility is not solely about finding helpful resources to absorb and leverage. It is also about developing a healthy network of experts that can give you the specialized answers you need to make it through tough times. This means creating a unique, intimate relationship with *Team One*—your all-important executive team. This will enable you to access their fully functional expertise as you face challenges and obstacles that are sure to arise. Their support is also a great way to pivot effectively and put your tech startup on the best path forward. You are at an advantage from the get-go if the specialized knowledge you require to overcome hurdles is in-house!

You should also increase key knowledge by researching your competition. How are they succeeding? Or why did they fail? Consider A/B tests to see what works in your situation and what will not. Be sure to also look into the existing and potential needs of your customers. After all, why would they consider doing business with your company if you fail to provide what they want but your competition delivers it? Engage unbiased brand researchers to learn if your product meets or exceeds the needs and wants of the market.

The bottom line is that you do not want to suppress learning, data, or knowledge—ever! Such decisions only end badly. Instead, you should constantly seek to improve the abilities of your leadership and staff, and responsibilities should be delegated to your management team whenever possible. Practically every CEO will agree that hard skills are necessary for the growth of a successful business. However, soft skills are just as important, and those you hire should have a balanced mix of both. Investing in soft skills training is essential to your bottom line, as it means your business can continue to flow smoothly under the direction of competent managers when you are unavailable to personally lend your expertise.

Strength Focus

One of the unfortunate things I have noticed among many first-time CEOs is that they tend to abandon their core strengths during the first few years of their startup. They are pulled off course by conflicting, high priorities that ultimately cause them to lose focus. And when these CEOs lose the strength of their focus, their startups also lose their way. The result of their unintentional wanderings often leads to insufficient performance throughout the company.

Recognize and Apply Your Strengths, and Reduce the "Performance Fear"

Teri is an Orange County CEO. Her 360 review was coming up. In these quarterly reviews, I share feedback I obtain from CEOs' executive teams as to how well the CEOs of their respective companies are progressing with the top few goals those CEOs set with me the prior quarter.

I carried out this process with Teri's team when it came time for her 360 review. What I noticed when I talked to the executives of her company was that there was an increasing amount of tension toward her. I soon discovered that Teri was not using her talents and gifts, which was creating a great deal of stress among her executive leaders, causing everyone to miss the mark on established goals.

What I learned concerned me because I knew Teri was a guru in her field and a fantastic evangelist for her company. I want to stress that she was a product guru, not a finance guru, not a salesperson, not a customer support person, but an excellent product creator. However, instead of sticking to and capitalizing on her strengths, Teri undertook a strategy to be everywhere and oversee everything. She tried to exercise control over the company by becoming an expert in all areas. The problem was that she was not well versed, nor did she have the experience to adequately respond to or learn about all these other areas of operation. She lost her effectiveness because she lost focus on her strengths.

Once all the reports came back for the 360 review, I identified this common theme, and we were able to have a great discussion. I explained that, as the CEO, she most certainly needed to know what was happening in the different areas and departments; however, she absolutely was not required to be an expert in any of them because she had her executive leaders manage their assigned departments. Instead, she should focus on her own strengths, which were vital in contributing to the success of the company. From the talks I had with her executives throughout the 360 review process, I found they all wanted her to focus on her strengths as a product guru. I also shared that the CTO and VP of Engineering relayed their need for her insights into the multiple future revisions of their products, but she had not given them any time since she had been dabbling in HR, sales, and every other department.

When Teri realized she could get more production by trusting her team leaders to manage their own areas of expertise and not try to do it all herself, she discovered she would have more time to think deeply about the direction in which the company's products were going and how to improve them. This led to an increased focus on interacting with customers and understanding their needs, which generated vital feedback. Everyone in the company was able to return to a level of competence and confidence that had not been present for a while. The 360 review sequence was instrumental in helping to reground this CEO, settle the employees down, and return everyone to their respective areas of strength.

The lesson provided by Teri's story is that in her attempt to help grow the business, she lost sight of her true core gifts and skills. This muted her ability to lead the company along the lines of her specific area of vision. The reason this happened was that, in her "Unconscious Incompetence" (UI) mode, she experienced two detrimental elements. One of those was the fear of loss, which occurred because she could not control everything. At the same time, she also had a strong fear of failure—particularly that she had to perform to feel like she was earning her keep as a CEO. The fear of loss drove her to try to control everything so the likelihood of the company tanking was minimized through her controlling the outcome. Her fear of failure stemmed from a strong belief that if she didn't perform and produce value, she wasn't a good leader worthy of her CEO title. Unfortunately, in order to provide that value, she mistakenly assumed that she had to know everything about every role and every position. She ended up becoming less valuable in her contributions and took away the special value that only she could provide.

We discussed at great length how her value was not changeable. We talked about how her programming up to that point in her life had made her falsely believe it was based on her ideal of worth. It took time, but after repeated visits explaining how she was doing this without even realizing it, she understood that she was unconsciously producing results that were not helpful. In an almost self-fulfilling prophecy, she was fulfilling her fear of failure by not performing well because she was operating outside her own sphere of ability and expertise.

In the end, we had to **disassociate value from performance**. Once personal contribution had been disassociated with value, her behaviors fell more in line with love and understanding. She wanted to do things for the right reason and was able to make a solid contribution to the company by allowing others to take up the slack that she felt she had to do before. The cumulative response to the 360 reviews took on a strong, positive role as everyone expressed appreciation for her leadership in the areas in which she was uniquely gifted and for allowing each highly paid executive to execute their responsibilities. To arrive at this point, we had to work through the issues that were blocking her true abilities. Once she was able to form a new mindset, Teri experienced individual change and conversion from her detrimental beliefs to produce better personal and professional results. Her focus had been restored, and so had the successful performance of her company.

When we discuss strength focus, we are not merely talking about focusing on multiple markets and products. We also need to focus on simultaneous factors, including the critical internal elements of the tech startup. Failure to do so will stress out those working under you, as you can see from Teri's story. This can cause frustration, depression, and a general lack of enthusiasm—all of which work to deteriorate progress.

CEOs must take the time to think deeply, strategize, and create ways to keep the motivation moving. And by all means, delegate, delegate, delegate! This will give you the freedom to keenly focus on contributing your strengths and talents by deferring to and trusting in the strengths of your senior executives. By engaging their expertise and applying it in every appropriate facet of your business, you ensure your tech startup receives the full benefit of everything you and they have to offer.

The Importance of a Well-rounded Board

We're not finished with the mandates. You must always—and I stress, *always*—have a well-rounded board of directors. You do not want any "yes men/women" who tell you exactly what they think you want to hear. They must be honest and unbiased. And remember, it is beneficial to have at least one independent board member.

Here is a good story to illustrate the reasoning behind this.

Expanding a Board Smartly

I have a reputation for working within a network of executives from various backgrounds and positions. Therefore, people often ask me, "Hey, do you know anyone we might hire with this or that talent that would fit this or that role?"

On one occasion, I received a call from a client CEO requesting an independent board member who could operate outside the majority of venture capitalists on his board. As we discussed the needs of this role, I said, "You know what? I might have someone for you." I had recently interacted with some very talented people, one of whom was an extremely seasoned executive with three excellent exits from companies within the software and technology industry. I introduced this person to the CEO as a potential independent board member. I knew the culture of this CEO's company, so I also knew this new individual would be an excellent addition at the table when it came to business meetings.

Eventually, this person was added to the board as an independent member. He ended up being crucial to the company's growth because he brought his industry knowledge and experience to the board. The VC board members were smart. They completed their due diligence pre-investment. They had the ability to spot patterns and see what other portfolio companies are experiencing. However, these people didn't have the same specific vertical market, enterprise, channel, and small business focus as the CEO in whose company they invested. This independent board member had that experience.

A CEO will always have more appropriate feedback to strengthen and grow his business when an independent board member is part of his leadership network. Such a board member can help balance the input and advice from other board members with highly relevant experience and a level of gravitas that otherwise might not occur.

Having an independent board member on the team should be an integral part of every new CEO's strategy for a startup. He or she plays an important and valuable part in ensuring that a CEO is successful in growing the business.

But here's the real lesson: This CEO was previously very focused on producing results to please the board, i.e., investors. He had a strong streak of fear (fear of failure) based on winning their approval. Because this CEO had received an A round investment, the investors had a strong majority and had taken over the board, making angel and founding partners junior in their voting rights. The CEO was the chairman and had the strongest voting power on the board.

As we worked through many issues, it became apparent that the CEO had done much of his work based on winning the approval of others—from customers to partners to even employees. He now found himself repeating his people-pleasing act for the new board representatives. This scenario is, unfortunately, a familiar one (after all, these investors have supported your dream with millions of dollars). In this case, the CEO and the board members found themselves in a circular loop of being frustrated by the direction the other party was consistently taking.

When the topic of an independent board member was mentioned, this CEO's eyes lit up. He understood the value. He would have more support for his proposals. This board member's views would be more readily accepted by other board members because of his proven operational track record. He could find some breathing room to work on himself. The business's needs would be more fully met, and he could afford to refocus and not act out of his fear of failure. Everyone won.

In the end, though, your success ultimately comes down to you. Yes, you need executives, good investors, and a team of self-disciplined professionals who can alleviate much of the heavy lifting on your end. But if your self-confidence is lacking, you will only get in your own way and fail.

I'm treading into the "denominator" portion here, but this point is relevant to our numerator. Just because you may not be the oldest person on a leadership team does not mean people are not looking to you for direction, leadership, and conviction. These new executives know their role: to support you. They need a guide, and you are it. People want to be on a winning team. They don't care what the CEO looks like, nor do they care about age, background, experience, or where you're from. They want to feel confident. They want to win!

One skill that I like to stress that constantly needs refining is the ability to be clear and concise when it comes to communication. I don't care how competent a CEO may be, they must always provide clear communication to be effective. I recommend that my clients focus on this crucial discipline ALL THE TIME!

How do you do this? It goes back to the first few times you gave a speech in school. You probably practiced in front of a mirror or recorded yourself, critiquing your mannerisms and how you looked during the presentation. As a CEO, use that same practice routine and record yourself. Employ mini-video rehearsals in which you practice speaking with your teams so that you have a mentally ingrained image of how your presentation looks. This practice is an excellent tool for acquiring the best effect.

Also, use written exercises to learn how to communicate more effectively. Are you having trouble communicating a set of instructions or the core discipline of a particular job?

Practice writing it so you can clearly articulate it in the future. Roleplay, create mock situations and scenarios, and watch your communication strengths improve! I have several CEOs who have become successful through their ability to verbally communicate with passion and vision. They sway the crowd and elicit support for their goals, which is part of the necessary skill set required to create a business from scratch and gain financial investment. With this ability also usually comes a tendency to be more verbose ("high signal-to-noise ratio") and, in many cases, the opportunity to also meander. Storytelling is often used to a highly effective level, but misinterpretation, losing the attention of the recipient of the message, and having no concise points leave room for misunderstanding or even complete loss of the message being conveyed. I recommend that my clients write the message, usually in PowerPoint® format, to help them distill their message effectively. This practice assists with sharpening and proactively planning their messages so they aren't given off the cuff. It makes them better communicators and better leaders.

SELF-REFLECTION

We have quite a few points to cover for self-reflection from this chapter. As always, take the time to think through these and answer them meaningfully. They are just for you. Be direct. Make the most of this exercise.

• How well are you caring for yourself—physically, mentally, emotionally, and otherwise? Where are you strong? Where can you use some improvement? What are the obvious holes in your self-care? What can you do today to realize the greatest improvement? What is your plan for a sustainable approach to systematically addressing these needs?

• What are you currently doing to expand your views, opportunities, and skills? How are you consistently learning? How can you improve in these areas—not just in quantity but in quality and implementation?

• Does your company enjoy a culture of consistent, meaningful self-improvement for every employee? How are you encouraging self-improvement activities for all your people?

• Do you have the right people on your executive team? Are they cohesive in their actions? Do they have the skills they need? Do they all fit well in your culture? If there are shortcomings in any of these areas, what is your plan to fill the gaps and get the team aligned?

• What are your competitors doing well? Where are they falling down? Without simply copying them, what can you learn from them?

• What do your customers need that they aren't getting from you? from your competitors? from your industry as a whole? How often are you talking with them, allowing them to share their needs? Where are your greatest opportunities for improvement, innovation, additional sales, etc.? Your customers have the answers to these questions. Actively include them as part of your team.

• What are your strengths? What do other people see as being your strengths? Do you agree? Do your executive team members know their strengths? Are you actively using them to your company's advantage? Where can realignments take place to increase the effectiveness of each team members? What strengths are you lacking among your ranks? How can you add those to your mix?

• Is there an opportunity to add an independent member to your board? If you could have anyone you wanted in such a position, who would it be? Is that person available? willing?

• How are your communication skills? How about those of your executive team? Your managers? Your employees? What can you do to improve? How can you make consistent improvement in this area a hallmark of your company's culture? Make your plan on these points and make it a priority. It will pay some of the greatest dividends you'll experience in innovation, loyalty, sales, and much more.

Chapter 4

Fear, Trust, & Love

Before we delve further into unconscious incompetence (UI), it's important to understand one of the driving components behind UI: fear. UI occurs because of fear-based thinking. We may think of ourselves as brave, but let's be honest; we are no match for our fears. However, we have the power to minimize those fears and handle them like any other aspect of our lives. It takes great discipline to achieve this, and I want to share how to ultimately deal with your fears. I can think of no better expert on the matter than my personal friend and coach, Kimberly Giles of *ClarityPoint Coaching*. Allow me to give credit where credit is due: some of the information I am passing on to you would not have been possible without this amazing coach.

Now, we've all heard the phrase "the greatest disinfectant of darkness is light" or a variation of it. Typically, this saying is used in terms of good combating evil, but we can also use the same logic when it comes to facing our fears. So, what is the best disinfectant for our fears? It's *clarity*.

Let's define the word before we proceed. Clarity is the **clearness to perceive and understand the world around you. Clarity equates to clear thinking, whereas fear skews your perspective.** When you see things clearly, you are more aware of the situation in its accurate state, without any emotion or story or skewed lens distorting what it is. This is where the power lies – where you are consistently able to respond with strength because you have clarity. *"If you change the way you look at things, the things you look at change."*

Fear

Why do we fear the unknown and the challenges that lie before us? Why do so many tech CEOs seem to self-sabotage just as their companies are gaining traction? It could be how we were raised from childhood. Now, I'm not insinuating that you had a less-than-satisfactory childhood. I have no way of knowing that (and this isn't that kind of book, anyway).

Think back to the instructions of your youth—those given by teachers, parents, and other adults in positions of power. Unanimously, we were taught to conform and give up a portion of who we truly are in order to earn the approval of others. We were taught that the world is a giant, scary place. A large portion of the indoctrination that came from our parents, teachers, and others unwittingly ended up making us feel small, insecure, and hopeless.

In a sense, we are taught to act differently than we desire because it is believed that who we are deep down inside is not good enough. This is a key message that is driven into our subconscious. The frontal lobe of the brain, which is the key reasoning and executive function area, is not developed before the age of seven. Therefore, all messages received during these tender years are absorbed and taken to be true and accurate. This is why children are so readily programmable. We absorb words and intentions unconditionally as true. And it takes a good many years after that before we grow to a point where we readily question lessons and advice. By this time, we have already been predominantly programmed.

It sounds hopeless and tragic, but these lessons we are taught as children are conveniently wrapped up in a pretty bow to make it seem like we're receiving virtuous life lessons. We are taught to one degree or another not to upset others, to keep our hopes in check, to care what others think, not to speak out too much, to be ashamed of who we are, to be assertive but don't be mean, don't act like we know everything, to be nice, quiet, and fall in line like everyone else.

Here's what I was told repeatedly (mostly from my parents) that shaped my subconscious programming. I was told:

- Don't talk with your mouth full.
- Make sure you do your homework before you play.
- As the eldest son, you have to be responsible and a good example to your younger siblings.
- Comb your hair before you leave the house.
- Respect your elders. Address them as "Mr." and "Mrs."
- You must bring 'A' grades home from school.
- Religion is important, and you can pray, but you can miss church if you have homework.
- Make sure that you are nice.
- Friends are better if they like my sports and other hobbies.
- School teachers are to be feared. They can spank you, twist your ears, and hurt you.
- It's unsafe to be in a new school or country, so you must remain small at first.
- Earn friends by performing well in sports or by learning languages quickly.
- It's better to keep your mouth shut and not share your feelings.
- Food is the key to happiness.
- When Mum and Dad argue, it means we are unsafe.
- I must protect my mother from my dad sometimes by listening to her and resenting him.

- Health is wealth. (This was from my mother.)
- It's better to get good grades regardless of what you learn (so I sometimes cheated).
- My siblings are my best friends. We never knew what a new country would bring.

Does any of this sound familiar and relate to your upbringing? These consistent messages came through our brains unfiltered, as if they were all true, so I adopted beliefs that unconsciously programmed me to behave in a certain way without even knowing that they were controlling my thoughts and actions.

It doesn't matter what kind of upbringing you may have had. These lessons have been taught to you to some degree. While there is value in some of them (after all, nobody likes a jerk), these lessons ultimately instill fear that follows us until death unless they are identified and corrected. Instead of learning lessons that can help us more comfortably maneuver through a host of situations, most of us carry the baggage of fear throughout our entire lives.

We all have unique fears, but I have dealt with two core fears on nearly a daily basis: the **fear of failure** and the **fear of loss (**a beautiful model created by Kim Giles at *ClarityPoint Coaching*). I have witnessed countless people whose dreams, desires, and plans falter and fail because they unconsciously act on one or both of these fears. However, we should cast these fears aside because they are learned and can, therefore, be unlearned. These fears should not be allowed to influence our day-to-day lives. If we fear failure or loss, we end up seeking solutions that please others instead of making sound decisions that benefit our endeavors. The following is a case in point.

The Need to Understand the Negative Impact of People-pleasing

A CEO named Matt and I were discussing how he had multiple executives who were dropping the ball on some strategic initiatives. One of these executives was in charge of customer support, where customers were not being taken care of promptly and competently. The situation was causing all sorts of negative escalations for the company. Matt also relayed an incident in which a marketing database had not been accurately configured, so the data they were using to send emails and follow-up relationship messages was errant and didn't perform as expected.

Matt, not wanting to incur such errors or repeat such issues, asked me, "How can I prevent these errors from being repeated? I can't provide the details because I don't know what my executives are always doing, nor do I want to know to the extent I am micromanaging them. I just want to know what I need to do to prevent these errors from happening again."

I explained to him that it seemed to me that these two different executives who handled each of their lines of work had not adequately applied the necessary measurements or systems. I stressed that, in his quest to understand, he did not need to understand everything to the nth degree. Not only would it be an unwise use of his time, but he also would not enable his executives to flourish if he became heavy-handed and tried to micromanage them. Matt agreed, but he was enthusiastic and even zealous to know what to do in order for his company to become better by not repeating such costly errors made by his executives.

I suggested he create a report that his executives routinely submit to him. It could include leading indicators showing that the database is functioning correctly and accurately. I also advised that he ensure that customer support personnel are adequately trained and provide them with their own dashboards indicating call handling time, call pickup time, and post-contact surveys that have been sent out. Using a report generated from these data points, he could measure the effectiveness and quality of his customer support team.

After our discussion, Matt quickly gathered his teams together so they could begin brainstorming and figuring out how to create systems that would create helpful flags. We had talked about using red, green, and yellow color-coded flags to distinguish between areas that were in trouble (red), that were operating smoothly (green), or that needed to be scrutinized and assessed (yellow).

We also discussed how each of the leaders should come up with their own measurements and systems that best fit their individual department needs. He did just that. In this way, Matt wasn't put in a position to deny his leaders the opportunity to make an impact within the company or create feelings of diminished worth, which strongly concerned him. The leaders and their teams responded well and came up with great ideas that were put into operation.

The result was that Matt felt more comfortable knowing his teams wouldn't repeat errors in the future. More importantly, as the CEO, he learned new techniques of handling problems that could be put into place and repeated in other areas proactively. He now saw the potential of scaling the business toward greater success without worrying about not understanding every element. Matt learned how to use these important tools through the mistakes his team made and the problems they created both on the job and on the fly—and both he and his company were made better by them.

Throughout our journey together, I learned that Matt's fear was a fear of loss. He felt the company wouldn't achieve sufficient growth in the future and could crumble into oblivion as a result. He was very much living with the fear that the rug would be pulled out from under him at any time if he couldn't make success happen. Therefore, he needed to control everything. But this strong drive to control meant he had to be in everyone else's space. It came to a point where the leaders of the company could not execute their duties effectively, which led to apathy because they knew Matt would intervene with his own recommendations anyway. They felt that whatever they did would be negated to a certain point, so why try at all?

More important than helping Matt come up with the color-coding system or other ideas we discussed, he had to realize that his unconscious behavior was ultimately the reason why there were system failures in the first place. Other employees either remained in the dark about what was going on or couldn't alert the company to various needs because Matt maintained such tight control over the business. He was in everyone's department and overrode most of their decisions. The solution came down to Matt taking a combination of actions. He had to work on organizing and prioritizing the company's needs, but he also had to arrive at a transactional point where he said, "Okay, we took care of that strategy. Let's go forward to the next problem."

In the coaching world as well as in the sphere of leadership occupied by the CEO, the ultimate goal is to **enable people to succeed**. The company can't ultimately succeed unless its leader personally improves himself or herself first, thus enabling everyone else in the system to improve. By taking the initiative and making oneself better, the CEO causes any number of chain reactions to occur that result in better performance—by individuals and by the company as a whole.

Now, let's take a closer look at the fear of failure and the fear of loss individually.

Fear of Failure

The fear of failure stems from a learned belief that echoes in your mind and tells you that you will never be good enough. We are taught that our value can increase or decrease based on our actions, how we look, or how we think. In turn, we believe that not only do the opinions of others influence our own personal values, but we also believe that some people are better or worse than others. That type of outlook can wreak havoc on our professional and personal lives. If you honestly assess your life to this point, you will see that this mindset has shaped how you look at the world as well as the present situation in which you find yourself. We value our appearance, performance, what we own, and, of course, others' opinions. These values are not bad in and of themselves, but the force of fear behind them drives us to make poor choices.

I am happy to tell you that a conscious or subconscious fear of failure can be changed because it is merely a taught perspective. It should not dictate how you approach important aspects of your professional and personal life. Exercising clear thinking when facing important decisions and tasks will ensure we make good choices that will benefit us immediately and down the road.

Accountability Measurements – Lack of Clarity Due to a Fear of Failure

Most CEOs are completely out of the water when it comes to what engineering is doing. Unless they have a background in engineering or as a technological programmer, they won't understand everything happening in that department. Neither will they know how to lead those employees, motivate them, or approach them in such a way as to drive them to support the engineering executive in charge of the department, whether it be a CTO-type, VP of Engineering, or someone with another title.

In this case that I'm going to share, Mike, the CEO of the company, had a difficult relationship with Kevin, the company's CTO, even though Mike had hired Kevin. The problem stemmed from Mike's not knowing anything about engineering, the coding languages, and all the various facets of how they checked in code, ran quality assessments and staging services, interpreted Gantt charts, and used the equivalent project management tools. This extreme lack of knowledge and experience made Mike quite insecure.

What developed out of this strained relationship was that Kevin ran shotgun and produced whatever he wanted, when he wanted, and as he wanted, leaving Mike feeling paralyzed with no power or capability to steer the ship. Mike became frustrated over his lack of control, which made him uncomfortable. He reacted by hovering over Kevin, which made Kevin equally uncomfortable. This is not an unusual situation, and I have been in a similar situation myself. When we, as CEOs, don't have the knowledge, training, or mindset of a certain department, we can feel like we're being held hostage by the department heads and must bow to their way of doing things because we don't know what they know.

In this case, Mike was focused on his strengths as CEO, and Kevin knew what he was supposed to do. The problem was that Mike felt his ability to steer the ship was hindered by not being able to release quality products on time that fit within the frame of market needs, and Kevin felt like he was being micromanaged, which resulted in a lack of trust in Mike's leadership. Their contention festered and became a sore point of many arguments between them. This occurred because Mike, as CEO, had no way of knowing what was going on. He didn't know when they would hit deadlines or what the outcome of the millions of dollars invested into engineering staffing and the production of software code would be.

After some coaching, Mike realized he had to put some accountability measurements in place that Kevin, as CTO, had to agree to so that, even with no verbal discussion, Mike could see what was going on with the business by department, particularly in engineering. This would allow him to know when certain levels of code were supposed to hit their milestones, make sure they actually hit the projected numbers, and provide the data via a report. This also allowed him and the CTO to have a common language in which they could discuss the progression of goals in as much of a numerical manner as possible. If they fell behind pace, Mike now had the agreement from Kevin to challenge him and question why they were behind schedule, as well as keep abreast of the department's overall performance.

Mike's greatest self-defeating issue was a strong fear of failure combined with the driving need to win the approval of others with actions that acknowledged his value. He inherently believed that if people did not like him and he was not popular by employing his lead-by-consensus approach, his value would be diminished. Of course, we can all be knocked off balance if we don't get a certain level of likable response, but we also need to perform regardless. We must be driven by motivation and goals, not by how much people like us.

Mike's lopsided fear was based on people-pleasing to the point that it created an underlying inability to confront, guide, mentor, and even engage in a decent conversation with Kevin. Amazingly, he made the decision to hire Kevin, yet he wasn't able to have a productive boss-to-employee talk with him. Although Mike understood very little about the technical side of the situation, he could have been upfront with Kevin and asked for guidance to establish mutually created goals and systems to measure progress and solve the problem. But he refused to do that because he felt it was safer not to rock the boat by addressing difficult issues. He also didn't want to expose the fact that he really didn't know what was going on, making him look like a weak leader. So, Mike persistently avoided the issue, and tensions grew over time.

In the journey to unravel complex issues and become a better CEO, Mike had to learn how to discount the automatic impression of "Oh, be nice. Be nice. Don't rock the boat." He needed to become more accurate and authoritative in conveying his concern that data wasn't being produced on time instead of feeling like he was being held hostage by Kevin's superior knowledge of the subject. Once he was able to express his feelings and ask questions, he enjoyed a better level of communication with Kevin that he otherwise would not have had.

If Mike had maintained his previous approach, he would have experienced even more delay and a loss in trust as well as the ability to have a great working relationship with Kevin. The fear of failure, combined with the importance of the opinion of others, led to the deterioration of this relationship. But once Mike understood that, he decided: "Okay, I am going to do the right thing. I am going to express what is accurate, and I am not going to give in to my automatic reaction that I must gain Kevin's approval. My value is not on the line. I can move forward and help the business and myself succeed. Otherwise, we're both stuck in a losing cycle." Once that awareness sank in, it became more natural to bring up issues and discover ways to break logjams.

Ultimately, the friction in the relationship was reduced once the indicators of success were applied. Kevin no longer felt pressured by Mike's constant hawkish nagging and was free to succeed in his given parameters. And Mike could provide oversight and vision without getting in the way. He once again felt in control of the direction the company was taking and was aware of the product performance, which was the lifeblood of the business.

To remain focused and stay in your lane of talent and strength, you must constantly assess where you are in relation to the others in your company. If you feel you or the company are not performing to your full potential, you can work with your partner, your executive vice president, or other appropriate team members to create systems and accountability metrics that show goals are being achieved at the right velocity. These matters don't require an interpreter. You can just look at the overall picture and see it. Taking such steps ultimately reduces the mental doubts people conjure up as to why they are in a given meeting, what is happening in the company, or what's going to come of a given initiative. Instead, they will understand that they are valued and needed. This shift requires a level of understanding by CEOs of where their strengths lie and how they can support the rest of the team in areas in which they have little or no knowledge or training.

Fear of failure is just one of the two major core fears we potentially face daily. Let's look at the other one, which can be equally debilitating.

Fear of Loss

The fear of loss tells us we should play it safe rather than risk losing something we don't even have. It's different from the fear of failure that whispers in our ears that we won't be able to measure up to others. It is a crippling fear that locks us up before we even get started.

We are taught that the few things we control in life should be handled with the utmost precaution. Ultimately, we are subconsciously programmed to believe that because we all have freedom of choice, we also have the freedom to make people's lives miserable in our own peculiar ways. Because life can be chaotic, this fear tells us that our lives and other people's lives can be ruined just by making one mistake, which causes us to fear many of the experiences that make life worth living. Without facing a crisis, we can find ourselves crumpled up in a protective ball to defend ourselves against mistreatment or loss. It forces us to stay within our comfort zone and live life as safely as possible. Life may feel safe, but the fear of loss strangles us to such a degree that we're never truly comfortable with life. We worry and guard ourselves to the point that we avoid opportunities or sabotage the ones we accept, all because of the fear of losing something we have not yet obtained.

Avoid Octopus Mentality and Reduce the Fear of Loss

Within the context of CEOs who need to focus on their strengths, I have to share a story about my friend and client, Larry, a war veteran and the CEO of a company in the Carolinas. In an effort to grow his business, he spent an enormous amount of time in the startup phase taking care of everything. Because of his military discipline, he could rigorously tackle many aspects of the company when it was small. But as the company grew, it took up the lion's share of his time and attention.

Finally, he came to me. As we discussed his situation, he said to me, "I don't know how to get any time for myself. I don't know how to get some balance between my personal life and work. I can't shut off my brain when I'm away from work. I'm always thinking about it. I would love to find a balance and grow my business without having to do all the heavy lifting."

We talked about how he had become a ten-armed octopus, doing everything himself. My assessment was that he was juggling too many tasks, which he really didn't need to. He agreed with me. Then he admitted, "I'm the only one who knows how the business works."

At that point, we discussed multiple strategies centered on his need for a president to run the overall direction of the company as well as a COO who would be in charge of operationally executing the day-to-day business. To do this, he would have to transfer some knowledge to this new executive. I explained that it would benefit him to spend some time interviewing and hiring such a candidate and sharing various business aspects with the new leader. Larry agreed, and I helped him find the person he needed.

Suddenly, Larry found himself at a point where he would tell me, "I don't know what to do now. I have more free time! Of course, it's a pleasant change of pace, but being a military man, I always want to be busy and feel stressed when I have idle time. I just cannot relax and enjoy this new free time."

Thus, Larry had a fresh problem that needed to be addressed. We discussed where his strengths lay, what he was good at, and where he could add value to the overall business. This was important because his team needed him. Because of his military training, he was technically competent and could dig into a product to find its values and faults. With his COO now assisting with many aspects of the business, he could create systems and procedures that were impossible to do in the past because he was trying to handle everything himself, like a lone firefighter attempting to put out multiple fires.

Now that proper systems and procedures were in place for the entire company, Larry and his COO could approach the department leaders and ask, “So, how did you solve that problem? What did you see that made you make those decisions? How did you address it?” The leaders would debrief them, and problems were solved without Larry repeating the same firefighting sequences. Delegating authority to his execs allowed for the implementation of better procedures, the training of new personnel, the creation of instruction manuals, and other critical tasks that allowed the company to scale and grow. This, in turn, allowed Larry to focus on applying the vital skills from his background, which were forging new alliances with strategic business development partners. He was proficient at making those relationships happen, and he was quite happy doing it.

Larry admittedly knew he was always destined for action because of his military background. But underlying that desire was a strong need to maintain control because of his fear of loss. He had a very abusive upbringing as a child, and coupled with the drive to take action, which the military instilled in him, he learned early in life that he wanted to control his destiny. This ultimately saved him in terms of his having an outlet for stress relief and a keen sense of discipline.

However, despite the progress so far, there came a time at this company when he couldn’t grow further because his desire for control resulted in barriers for his leaders to execute their duties. He was the one cramping their abilities. He wanted to personally ensure everything succeeded. He wanted the company to grow, but in the process, he had to know what was going on and be intimately involved. If he didn’t maintain that level of total control, he felt he didn’t know what the business was doing or would do.

At the same time, Larry complained about not having enough personal time and work-life balance. He didn’t know how to create boundaries to protect himself, and he didn’t realize what he was unconsciously going through. As the company got bigger, there was even more firefighting for him to do. He reached a point where he was exhausted from all that firefighting. But he felt it was necessary to be right in the middle of the action. He also thought he was the only person who could solve the problems because it was his job. He was the one who came to the rescue at the last minute. His lack of delegation to ensure systems were in place created a need for him to be there, and Larry needed to be needed.

This is not how savvy CEOs run successful companies. Larry was simply not aware that he was operating without boundaries. After a time, he began to realize through our sessions that

"Oh, my value is not tied to this need for control. This company is going to do well. I can hire the right people and trust them to execute their duties to ensure success." This realization allowed him to achieve a better work-life balance. As our relationship matured, he would sometimes say things like, "Hey, let's talk this week, but let's do it later. I'm going to be [at a resort/with these people/doing this activity]." All these reasons for changing our appointed meeting time were due to his having found enjoyment in his journey. He expressed a level of freedom he had not previously experienced because he had not known what he was doing unconsciously.

In the end, Larry understood that the success of his business ultimately hinged on his ability to avoid being at the center of every problem by delegating authority to his executives. Once he let go of his incessant need for control, he felt more at peace with himself. Until he reached that point, he kept repeating the cycle that kept his company from experiencing real growth. The CEO he hired to take charge lifted a burdensome load off his shoulders, and the company became more profitable as more effective systems were implemented. But this outcome couldn't happen without Larry changing first.

It is imperative that we focus on our strengths and avoid becoming octopi with our tentacles in every aspect of the company. Otherwise, we become derailed by doing too many things that reduce our effectiveness and adversely affect business growth.

How Do We Change Our Minds?

To understand how to curb our fears, we need to understand the processes that cause us to fear in the first place. We need to understand our brains better. If you can grasp why and how the information flows in and out, you can get a better grip on how to control your fears overall. Neuroscientists state that 95% of all our choices are made subconsciously[2]. This is to say, the majority of our choices are made without giving a second thought to what we are doing. Think about the choices you are faced with and the decisions you make every day: What will I eat for lunch? What will I wear to work? Which route should I take home? Those are just a few of the dozens of choices we make daily without giving them much (if any) appreciable thought. Making so many subconscious decisions that are seemingly out of our control can be intimidating, but by facing them head-on, we can change our subconscious thinking to make

[2] SOON, C., BRASS, M., HEINZE, H., et al. **Unconscious determinants of free decisions in the human brain**. J Nature Neuroscience (2008). https://www.nature.com/articles/nn.2112

better decisions that lead to greater success and improve our quality of life. Once you realize how the process works, changing the outcome becomes attainable.

Our decisions are reactionary and automatic most of the time, which would be fine if our subconscious programming was not fear-based. Unfortunately, most of our programming is fear-based, resulting in our enacting behaviors that often work against us. To rectify this, we must become consciously aware of our subconscious decisions. This can be tricky initially because these decisions are made rapidly and mostly subconsciously. In the beginning, you will need to slow the process down when you feel yourself making a split-second decision and ask yourself—with a focus on the progress you are seeking—why you are making that decision. It can take some time to become adept at this approach, but you will begin to identify many of your subconscious decisions over time, thus allowing you to analyze and alter them.

Here is a quote from my coach: "Your subconscious mind is fast. But your ability to consciously choose those decisions is even faster." Or said another way, the subconscious is faster but the conscious mind is more powerful – it can over-ride the fast subconscious. We can't always stop the fast thoughts from the subconscious, but we can completely change it with the conscious mind.

That's good news. Because **if you do not choose a healthy mindset, your subconscious will choose the mindset for you—and usually, it is based on fear.**

Like anything else, changing the subconscious patterns of your mind takes discipline and time. But you can do it! The change will occur in stages. Let me share my three-second rule that will help you take control of this improvement process.

UI → CI → CC → UC

Because the subconscious brain is so fast, most of the time our actions stem from being "Unconsciously Incompetent" (UI). By moving from being UI to "Conscious of our Incompetence" (CI), you have won 70% of the battle because you have become aware that you are operating in "incompetent" mode. This is where I advise my clients to count the passing of three seconds if they detect even the tiniest feeling of emotion when making a decision—a sure sign of UI. If you can do that, you are already consciously aware of your incompetence and have arrived at Stage 2. This gives you a chance to decide how you want to respond, not react. Usually, if you allow yourself to be driven in UI mode, you are REACTING. Instead, you want to arrive at the point you are RESPONDING, hopefully, in a more composed manner.

When you arrive at this stage, you can then choose to be "Consciously Competent" (CC)—Stage 3—and consider the best way to respond. Over time, you will become more effective and impactful at choosing to be competent, as you are able to more readily catch your mind trying to make UI decisions. Arriving at Stage 4 by being "Unconsciously Competent" (UC) requires a deliberate focus and level of commitment to reprogramming your subconscious daily. As you identify these subconscious decisions and attempt to change the way you make them, you will become conscious of the fears behind them. This can cause you to revert to being UI. After clearing the UI hurdle, many will find Stage 2, or CI, the most difficult to deal with because you are identifying mistakes as you are making them. Seeing one's fear-based issues manifest while making life-affecting decisions can be daunting.

In order to change current thought patterns, your brain has to create new ways of responding. As you practice making conscious efforts to reprogram your mind, you will find that your brain will begin to subconsciously make positive decisions according to new input while you are on autopilot. It takes a lot of discipline and commitment, but the hard work will pay off. Eventually, you will be making positive decisions unconsciously and without thinking about them. That's powerful!

UI: Our Beliefs and Values

There is a major problem with our belief system, which teaches us that our value as a successful and acceptable human being is somehow changeable simply by how we're perceived. We believe that if we are more attractive, produce more, have better material things, or have the love and respect of others, our value goes up. We also believe that if we control our future, it will be safer, which in turn will increase our value.

What replaces fear when you rewire your subconscious decisions? Although simple and challenging, the key to changing our programming is realizing that our value is NOT changeable. We are already good enough. This is a critical lesson that I had to learn. I cannot change my value with more performance (my biggest fear-based subconscious program). I can't be a better dad by helping my kids get better grades in school. And I certainly won't have the type of relationship I want with them if all I do is berate them about their school grades. My value is not based on how my kids do at school, in sports, or anything "measurable." Our value is set as soon as we become living, breathing beings. It is already innate in us. Our value is not higher because we are more attractive, yet that's the constant message we have drummed into our heads. Social media, advertising, parents, teachers, and even friends constantly encourage us to look thin or strong, have a given style of hair or beard, or wear a particular brand of clothing versus another. We mistakenly come to believe our value is determined by external factors we may or may not be able to (or want to) attain.

Why do we value certain people over others? Is it because of their looks, test results, popularity, or if they wear the right shoes, have the latest technical device, or drive the hottest car? It should not be so, and the saddest part is that the people surrounding us continue to reinforce these messages! No wonder the CEOs I coach have a hard time disassociating their actions from their belief systems and, in some cases, are entirely unaware they're making such unconscious decisions. **Our value is not changeable.** It is critical you believe this truth if you want to change your life for the better.

There are two more elements that will help you reprogram your subconscious thinking that has been developed through the constant barrage of upbringing and advertising. Those two elements are *trust* and *love*. I will pass onto you what my amazing coach taught me. Her advice changed my life, and if you follow this same advice, it will change yours as well: You must focus on incorporating trust into your subconscious and then integrate love. Your goal is to confirm to yourself that these two elements are undeniably necessary and, when acted upon, always arrive at truth.

Trust

Trust is a word casually thrown around—being much more difficult to put into practice than to simply utter. All successful and lasting endeavors have grown from trust and built upon its foundation. Unfortunately, in these times of rapid movements, snap decisions, and the temptation to do whatever is required to ensure success, trust is often sacrificed. This is one major reason we are witnessing an increasing number of debilitating issues within companies that ultimately lead to their weakening and collapse. Trust is essential to growth, and its establishment should be a primary priority for CEOs.

There are two important elements to learning to trust. First, you need to deal with the issue of trust itself and how it relates to you. You **must trust that your value is infinite, absolute, and unchangeable.** No force exists that can change this. There is nothing anyone can say under any circumstance that can change this truth. Once you come to this conclusion, the second truth seems much easier to grasp: **whatever happens, it's a learning experience.** This has more to do with how you react to and interact with others.

When you grasp this truth, you will not be timid, fearful, guarded, or aggressive because you understand that the situation you're going through is designed as a learning experience. If you heed the lessons being provided, you will ultimately become a better person. And when you act out of trust instead of in ways initiated by subconscious fear, the other person or people involved in the situation also stand a good chance of learning meaningful lessons as well.

When you consider that acting in trust is an absolute truth, the fear of failing subsides. You realize that life isn't about avoiding failure or ridicule but learning from your experiences. Whether you fail or succeed is a secondary concern.

Love

We work with the concept of love after trust because love can only come from an established understanding of trust. Once your subconscious understands trust, it can also learn to grasp the true nature of love. When these two forces are working in unison, fear does not have room to enter the subconscious where it can influence you to make negative decisions. Kim Giles has a great set of definitions and steps around trust and love, and I share some of those principles here in these two truths.

The first truth to exercise when it comes to love is that **you must see other people as your equals.** This can be easier said than done. Whether we wish to consider ourselves decent people or not, none of that matters here. If you are not subconsciously seeing others as your equals, you are not exercising this truth, and you will continue to operate in a pattern of fear. However, when you see others as your equals, only then can you begin to make positive, subconscious choices.

The second truth of love is just as important: **let love motivate your responses—toward yourself, others, and your Higher Power.** This allows you to make positive subconscious choices without being driven by fear. When you respond with love to yourself for your failures and achievements, you will find yourself dwelling in a more balanced place. When you notice poor behavior in others, take a moment to empathize rather than judge or become angry. Understand that fear is behind nearly all poor human behavior, both in yourself and in others. When people attack you, it is because they are afraid. It's not about you. They are merely trying to cope with their own subconscious fears of failure and loss. And when you respond with love toward your Higher Power—regardless of your concept of that source—you realize you're not alone in this world. Someone or something is consciously aware of your journey *and* the journey of all the people that cross your path. This view can help you understand what you're going through and why others are acting the way they are. You are better equipped to love and forgive yourself *and* others.

Bad behavior is a cry for love and validation. Those who display bad behavior are requesting that someone help them. However, because of our programmed beliefs, we respond negatively. We think, "*They don't deserve my generosity!"* and we act in some negative manner that only compounds the problem. When we reprogram our subconscious minds to return love and validation in place of retraction or retaliation (which only acts to showcase our own fears), we create the best and most positive results for everyone involved. Listen. Ask questions. Honor the other person's presence by respecting their freedom to have their own opinions and ideas. Do this, and you show that person that you value them at the core of who they are while you are free to live your life of Unconscious Competence (UC). Be the shining example of what you want others to be, and people will notice.

Reprogramming: GIGO

Here is a helpful practice to reprogram your subconscious mind: Write down and read (or record on your phone and play back) positive messages about your true value multiple times a day. This practice will help overwrite old mental programs with new behavioral instructions. It sounds silly, but it works.

I'm sure many of you recognize the acronym GIGO (Garbage In, Garbage Out), which I first heard during my days of undergraduate work in computer programming. Because my Computer Information Systems program included business classes, I also learned the acronym LIFO (Last In, First Out), which also relates to this exercise. If I want to eliminate past messages that drive me to perform to win the approval of others as a sign of my value, I must reprogram my mind with a new set of positive beliefs that emphasize the reality of my innate value—with no performance or action required.

As of this writing, I have 12 sets of beliefs I listen to (three a day, which I rotate over a four-day period). I will share two of these beliefs that I have incorporated into my daily routine—one from Coach Kim and one that I got from a book that deeply affected my parenting beliefs.

This excerpt is from a positive belief system by Coach Kim that I read daily:

'Who am I?'

That is the question I've been asking and trying to answer my whole life. Ever since I was born, I have been trying to figure out who I am and if I am good enough.

Sometimes, I feel good about myself, and sometimes, I feel worthless. My view of myself changes according to each situation—even though I am the same me all the time.

This confusion has ruled my past, but it will not rule my future. I have flittered about like a leaf in the wind long enough. I have listened too long to the voice in my head that judges my value and criticizes my performance. Those days are over. Starting today, I will see the truth.

I am good enough right now. I am just as I am supposed to be at this point in my journey. My nature is divine and good. My value is infinite and absolute. My value is unchangeable. I am exactly who I am supposed to be, and I have the same value as everyone.

I have many talents, strengths, and gifts. I have yet to discover many of these strengths and gifts, but they are in me. I have everything I need to be successful in life.

I now understand my value is infinite, and I totally accept everything about who I am. I am unique. There is no one in the world like me. I am amazing and incomparable. I don't compare myself with other people anymore.

This excerpt is from the book *Unconscious Parenting* by author Shefali Tsabary, PhD.:

I asked to be released from my notion that I have any power or jurisdiction over my child's spirit. I release my child from the need to obtain my approval and the fear of my disapproval. I will give my approval freely as my child has earned this right. I ask for the wisdom to appreciate the sparkle of my child's ordinariness. I ask for the ability not to base my child's being on grades or milestones reached. I ask for the grace to sit with my child each day and simply revel in my child's presence.

So, by repeatedly reading and BELIEVING each of these words (the 'believing' is key), I can put better words into my subconscious mind and, like LIFO, extract these new beliefs first and act on them, rather than the old, negative programming.

Imagine, if we can execute better decisions and better behavior at home, how happy and healthy our families will be! Make note that I said family first. If we can work on being better at home, work is easy! Home is where we lower our guards. We don't need our "game faces." Home is exactly where we should be better *first*. When we practice being more CC, we do better as CEOs. Practicing CC naturally develops into UC over time. I can attest to that. And so can my son, Alex.

One Sunday, as I was preparing to barbeque outside (I usually cook on Sundays), I was taking some of the meat outside. Because I hadn't eaten much that day (violating one of my strategies to not be in UI: *don't be hungry*), I said something unkind to my wife, Angela. It was inappropriate. Something like, "Why don't you open the door for me when you see my hands full?" I could have asked her, but instead, with a snide tone, I made that comment unconsciously and without thinking. Angela wasn't even looking at me. How would she have known? Why was she the target of my quip instead of my son, Alex, who was home from college for Sunday dinner? Anyway, I immediately caught myself acting incompetently, became conscious of my hungry 'reaction,' and I chose to correct it. I said to Angela, "Sorry, sweetheart. You didn't deserve such a comment, and that was uncalled for. I must be hungry or something. Please disregard what I said. I apologize." I think she was reading something on her phone, and without even looking up (she knows that I am working on myself), she said, "No problem." I went outside to start grilling. When I stepped back into the kitchen, Alex was looking at me incredulously.

"Dad, that was fast! You apologized *SO* quickly, and it was so impressive. Good job, Dad!"

Not only is my Alex a very self-aware man, but he is also the product and witness of many 24-hour "wars" within our home, as he saw my younger, more incompetent self through all the years he lived under the same roof. Having witnessed past bad behavior on my part (it's almost always my missteps that have caused contention), he saw some of the work that I had been doing on myself and witnessed my speed of correction. Like I said, if you can focus on improving yourself at home, work is easy!

Are you interested in knowing the level at which you are operating from a place of UI? Take this brief, online quiz to receive your personalized results: Free UI Quiz

SELF-REFLECTION

Ready for a few more points of self-reflection? These are some important ones. Many of these elements are at the core of our success, or the ongoing distractions we experience when we haven't mastered them.

• What have you been programmed with since childhood that is blocking your progress?

• How does the fear of failure and the fear of loss show up in your life? What can you do to overcome these fears? What help do you need to effectively navigate this journey? Who can provide that assistance for you?

• Did you relate to the octopus analogy? Do you feel like you have your fingers (tentacles) in places they shouldn't be in your business? Why do you feel compelled to insert yourself in your employees' paths in this way? How can you let go of those activities that aren't playing to your strengths? Is trust an issue? If so, how can you develop greater trust in your people? How can you involve your employees in decision-making processes to help them gain a sense of ownership while taking tasks off your plate that don't belong there?

• How often are you operating in your zone of Unconscious Incompetence (UI)? Conscious Incompetence (CI)? Conscious Competence (CC)? Unconscious Competence (UC)? How can you increase the amount of time you operate in UC mode while minimizing the time you find yourself operating under the influence of UI?

• Do you see yourself as innately being infinitely valuable? Do you find yourself, at least at times, attempting to perform to prove your value? Why do you think you do this? How can you change your view to see your innate value? (Once you answer these questions about yourself, apply these same questions to your view of others.)

• Do you operate from a place of trust? If not, why do you think that is? Based on what you read—and the thoughts you had as you read—how can you move toward trusting yourself and others by default? What positive differences do you see in your own life and the operation of your company when you use the power of trust as a leader?

• Do you love yourself? Others? Your Higher Power? This one may take some time. Once your self-view is solid regarding your value and you are acting from a place of trust, genuine love will become a more natural part of everything you do. What is one thing you can do right now to up your game by seeing through a lens of love and acting (not reacting) out of love in everything you do?

• What needs to be reprogrammed in your mind? Don't overwhelm yourself. Choose something attainable that will make a tangible difference in your life. How will you go about your reprogramming process? Who can help you with this journey? What is your plan to begin this important change now?

Chapter 5

Denominator Issues

Bob was in his early 40s. He called me one day and said, “I did… something. Was it wrong?”

“What did you do, Bob?” I asked.

“I had my executive staff meeting,” he said. “The VP of Sales, Doug, was not paying attention. We were all there. I told the staff multiple times that we had a short amount of time to go through at least four or five of our agenda items. I asked them to kindly close their laptops so they could focus. Incessantly throughout the meeting, not only did Doug not put down his laptop, but he was grinning and tapping away. At the same time, everyone else had their laptops closed and were paying attention and participating. I couldn't help it. After I had asked politely at least twice, I snapped. I said, ‘Doug, shut the damn laptop. You are not ‘playing team’ with us!’”

Bob went on. “Doug snapped back and said, ‘Do you want me to participate in the executive discussion, or do you want me to close sales?’”

“‘Right now,’ I replied, ‘I need you to close your laptop. I do not need this level of selfishness on my team.’ Doug shut the laptop, but then no one wanted to talk or participate. The meeting was derailed. I shouldn't have done that, huh?” asked Bob.

“What was the end result that you achieved?” I asked.

Bob confessed it wasn’t positive or helpful. The rest of the executive team was unhappy with him. He felt like he couldn’t win.

To consider possible alternative approaches, we discussed the following points:

- **What was going on in your mind?**
- **What were you feeling at the time?**
- **When you have felt resentment like this in the past—and you’ve mentioned it multiple times—what have you done about it?**

- **What did you do before the meeting to address the issue?**
- **What were your options?**

Bob expressed that he'd had this board meeting on his mind for a while. He told me, "I haven't had any sleep because my girls have not been able to kick their colds. I have not exercised in the last five days, so I was also low on energy."

So, it was clear that other things were percolating and causing angst. Bob had personal dissatisfaction with what was happening in his private life.

"I'm just not happy with myself. So I snapped at him. I could have handled that better."

"Okay, so what are you going to do next time?" I asked. "What are you going to do to repair your relationship with Doug? What are you going to do to address the rest of the team?" And then I continued, "Most importantly, what are you going to do to oxygenate yourself? You should consider that maybe Doug has some other issues that are going on in his own life. It is advisable to do what you can to find that out, take it offline, and talk about it."

Unbeknownst to Doug and Bob, the two exhibited Unconscious Incompetence (UI), the "invisible force" we've talked about that affects the day-to-day decisions we all make. In terms of tech CEOs, being aware of one's UI and pivoting to fix the negative outcomes UI will produce is key to success. By acknowledging UI, CEOs can be self-aware while understanding that they may not be 100% balanced in their mental and emotional well-being for one reason or another. By choosing to fix the issue—by committing to continuously work on every facet of their physical, emotional, spiritual, and intellectual well-being—they ensure they bring their A-game to work every time.

CEOs who choose to be aware of their UI, rather than ignore it, will realize that their performance at work is also affected by their performance at home and vice versa. In fact, the nucleus of CEOs' well-being depends on the health of their home and personal lives. As a result of being consciously aware of their state of being, they will also understand that their past experiences bring baggage, negatively affecting their business and family dynamics. They become willing to proactively work to improve themselves, overcome the baggage, and move forward.

There are countless self-improvement books and resources you can find nowadays. But one line from the excellent self-help manual *ClarityPoint* has always stuck with me:

“We react from fear unless we choose to operate intentionally out of love.”

This describes “emotional clarity.” Quite frankly, CEOs and the rest of society must strive for clear thinking in all facets of their lives if they want maximum results. That includes thinking clearly in terms of our perceptions and understanding of our team members, loved ones, and the world around us and applying it to our own thinking as we strive to see things accurately and in their true form. Clear thinking drives away fear and ensures that it doesn’t skew our perspective.

UI can severely negatively impact every facet of our success equation, as I introduced earlier. As with basic math, the denominator and numerator work hand in hand. What affects one also affects the other. Knowing what you know about UI, let’s revisit the numerator terms. Let’s briefly discuss how UI impacts the overall numerator. This will allow you to better understand the formula as a whole.

Effort

UI can hurt tech CEOs’ overall efforts. For example, when CEOs need to fill a role in their tech startups, they may want to promote in-house. Most likely, they will feel obligated to promote one of the original employees who have been with them since the beginning as a way of “paying it forward.” UI can force tech CEOs to think it is a good idea to choose from one’s original team so they don’t look ungrateful, but this reduces the overall business value of one’s tech startup by placing the culture over the business. This makes the interdepartmental EQ low when CEOs only use their original team as a pool for promotions (or otherwise).

When UI gets in the way, it can cause tech CEOs to promote the wrong people, regardless of how long they have been with the company. This causes the promoted employee to fail, creating unneeded headaches for the CEO and ultimately reducing the self-confidence of the entire team. If there is a delay in fixing the issue, the team may resent the CEO for not removing the person fast enough.

This brings us to other influences UI has on CEOs’ efforts—namely, the failure to invest in strategic partners, formulate potential exits, and seek out new investors before they are needed. Part of this failure stems from the fact that UI can make tech CEOs unknowingly doubt their ability to grow the business in the first place. When CEOs doubt their ability to grow their tech startups—again, whether they recognize this doubt or not—it can lead to many other issues.

Tech CEOs can fail to have the hard discussions required with their team members, which results in a loss of confidence among the team members and the tech CEOs themselves. When real talk needs to happen and a CEO hesitates, it's essential to ask oneself, "Do you prefer to play it safe or be successful?" You can't have it both ways. The language used during these difficult conversations is just as important as having them. During these discussions, it is all too easy to beat around the proverbial bush and be vague. In these moments, it can be tempting to hint at the issue rather than using facts to be direct.

When you fight against your UI and strive to have these intimate, serious discussions about fixing one's work-related issues, what you will find may genuinely surprise you. Like the story with Bob and Doug at the beginning of this chapter, you will learn that most of the time, there is a reason why a team member is having issues. Make a habit of having these frank discussions with all your team members, and you will quickly realize that it is so much more beneficial to know people by who they are rather than knowing them solely based on their skills and what they can do. Therefore, knowing and understanding what lies behind a person's skill rather than admiring them for the skill alone will ensure that you have a highly functional team.

As I informed Bob, one of the most critical goals after becoming aware of your UI is to fix the problems that plague your own life. Believe me, this plays a huge part in affecting your effort. If allowed to go unchecked, UI can force you to whip yourself for not being a certain way or doing things in a particular fashion. Under the cruel UI taskmaster, you will create all kinds of imagined scenarios about what may happen, causing you to make excuses for yourself. People under its control often use the word "but," as in "I would do this or that, BUT..."

Tech CEOs who find themselves plagued by UI will likely find that their lack of effort will cause them to avoid or miss important interactions at work or home. You will always feel tired and behind the proverbial 8-ball, like Bob. These types of tech CEOs continuously operate in a frame of mind in which they want the best results possible, but they are not thinking about how to get those results strategically and quickly.

Learning Agility

UI can also have a seriously negative impact on tech CEOs' learning agility. They may find themselves shocked to pay more for experience, whether we are talking about hiring someone new, acquiring an advisor to provide insight, bringing in a professional analyst to assess problems, or any of a number of other scenarios. This also applies to the products or services that a startup provides. When UI affects learning agility at the product/service level, this creates products/services that become bogged down for no discernable reason. “Feature creep” slips in, and the product/service that used to be well-regarded becomes a shell of its former self.

As you know, learning comes from spending time with like-minded professionals you respect and trust. Yet, when UI negatively impacts learning agility, it can result in CEOs failing to spend enough time with these experts, leading them to feel less than whole. In turn, this avoidance of learning and feeling of inadequacy can result in these CEOs dodging time with clients and revenue partners.

When UI rears its ugly head and tries to keep you from learning and improving yourself and your startup, you need to do something about it. Have weekly relationship tune-up sessions in which you and your team fix any wrongs or misunderstandings that may have occurred during the week. Invest in that experience and maintain an open line with your investors, clients, and team.

Strength Focus

UI also plays a significant role in your ability to focus on strengths, which can seriously distort your perception of them and make them work against you. If you aren’t tuned in to your strength focus, you could find yourself working tirelessly on things out of fear rather than trust and love. A distorted view of strength focus causes tech CEOs to fall into what I call “urgent firefighting mode.” This manifests as a desperate attempt to put out the fires around them (whether perceived or real) before they consume their businesses. CEOs in this mode see themselves as the only ones who can come to the rescue. We saw this scenario earlier, along with its accompanying pitfalls. When in the firefighting mode, competent leadership and learning take a backseat. CEOs in this mode cannot see the business clearly due to the ‘smoke’ created by all the activities they find themselves involved in.

One example of how UI can negatively impact your strength focus is when founding employees inevitably face new employees coming in and providing fresh experiences and knowledge. Cultures clash as each group feels threatened by the other, assuming they each can do things better than the other. You’ve seen this. You know it happens. It is important to mitigate these moments, yet UI often robs us of this ability. On the one hand, we do not want to insult the old team by insinuating they are becoming obsolete. On the other hand, we don’t want to provide the newcomers with a false sense of authority they could use to insult founding members of the team. In a nutshell, UI causes us to do nothing, leaving the long-time employees feeling insecure and threatened and the new employees feeling like the "old guard" is holding them back. The result is that we don't receive the best performance from either the newer or the experienced employees, and many of them end up leaving for greener, less stressful pastures.

UI can prevent tech CEOs from creating accurate business models "by the numbers" because it prevents them from focusing on their strengths and vision. They don't maximize their strengths and they ignore important issues, ultimately leading them to being overly exerted putting out a slew of raging fires. The opportunity to build successful business models is neglected at the expense of CEOs playing the role of firefighters. What should be small businesses CEOs effectively pilot to become larger, evermore-successful enterprises using the strengths of their CEOs and teams become, instead, problematic businesses bogged down by unattended or mismanaged issues.

Tech CEOs shouldn't be involved in every facet of their businesses, or they will limit their companies' ability to grow. Instead, they need to concern themselves with applying their own strength focus as well as encouraging the same within their executive leadership and those employees under them. This practice sets the company free to grow and expand naturally and more smoothly.

SELF-REFLECTION

• Given the thoughts you've had as you read this chapter, what areas of emotional clarity do you feel you could improve in? Do you believe you have blind spots? Who is available to you to get feedback from on these needs—someone who will be forthright, yet interact with you from a place of understanding your value, act with full trust, and share their insights from a place of love?

• As you reviewed the numerator terms—effort, learning agility, and strength focus—from the formula I shared earlier, where did you see opportunities for improvement? What is your plan to make these improvements?

• By now, you hopefully see the far-reaching negative effects of the pervasive reality of our defaulting to a mode of UI. Where is your UI currently hindering your progress? causing problems in your company? negatively impacting your team members? Again, please be honest with yourself. Your journaling of these matters is for your eyes only, unless you choose to share them with a trusted advisor.

Chapter 6

Overdrive

The previous chapters of this book offer a good foundation for improving the overall effectiveness of your business. However, you may have realized there is only so much you can do by yourself to move the company toward the success you envision. That level of success requires that all others within your organization also grasp the clarity of your vision. Perhaps now you are energized as a CEO, but you may be left wondering how you can share this new version of yourself with other leaders of the company so they can become better.

In order to see the value of sharing what you learn, you should ask yourself a few key questions. What would happen to your business if all the leaders and employees improved their performance instead of being encumbered by the drag of unconscious incompetence? What if all your employees ultimately became higher-performing contributors simply because they had been liberated from fear-driven beliefs? The common outcome of becoming better equipped to do one’s job and having an optimistic attitude is improved performance based on a more confident attitude toward expected results.

Why is this? Because people are inherently affected by both good and bad news. When employees are bombarded by bad news—such as personal poor performance, company downturns, economic or political upheavals, natural or manmade disasters, etc.—that might possibly affect the company they work for and their own livelihoods, their uncertainty increases. When the Global Uncertainty Index or GUI (also known as the World Uncertainty Index, or WUI) is elevated, companies suffer because the overall performance of their workers, providers, and clients decreases based on real or imagined fears.

However, the opposite is also true. When people operating within the parameters of your business are hopeful and confident, they enjoy their work and often perform above expectations. If you could obtain such a state of confidence based on elevated knowledge, improved skill sets, and encouraging future prospects, your company would excel across the board because employees would operate out of trust and love, not fear. What an extraordinary state of happy output that would be!

So, how is this achieved? That brings us to a vital lesson I have learned. You may improve the percentage of time you spend in CC or UC modes, but that will not change the unconsciousness of your other leaders and managers who show up and run through habitual patterns that reinforce problems and complicate the solutions. Business is simple. It’s the people who complicate it. And in reality, most of your time and your leaders' time is spent dealing with conflict, emotions, personal issues, and general fear-based symptoms. In some cases, employees will take issue with what they consider “idiotic clients.” Managers are often prompted to defend their turf against real or perceived threats. VPs might argue over budget or headcount issues. Your engineering manager may be seeding his team with doubts that the CEO is incompetent to keep the company running efficiently. The common thread in all these potential scenarios is that they are *reacting* instead of *responding*, which is counterproductive. The entire organization is decremented with each negative interaction created by each individual on every level. Instead of a blooming success, the company is reduced to a blundering soap opera in which the majority of actors are unwittingly involved.

The worst part when multiple levels of individuals are involved in business conduct with their UI running amok is that the cumulative effect of the results are magnified. As my effectiveness formula projects, the ability to make an impact is seriously impaired by the multiplier effect. We will have individuals with high levels of UI negatively impacting their work. When professional individuals carry their unconscious baggage with them when they are supposed to work together effectively, the outcome is clearly very much compromised.

So, yes, you should consider providing help/coaching for each of your critical executives to unburden themselves. Behavioral changes take time, and the unconscious programming responsible for landing them in their present performance condition isn’t unwound overnight. You may find yourself becoming healthier, clearer, and freer in your progress, but remember, your team will both individually and collectively maintain internal fears, worries, stops, and other unconscious incompetencies that hinder their unique abilities from shining through. If left unchecked, it will reduce the effect of their overall skills, training, and efforts. They need to go through the program as much as you.

As much as we’d like to provide coaching for every member of our teams—especially the leaders—doing so isn’t necessarily cost-effective. Here’s a solution that works amazingly well:

Thanks to my friend, partner, and business guru, there is a great solution that is scalable at a fraction of the potential global expense for executive coaches and provides an impact that unleashes the latent talents of leaders and their teams. It scales and produces the results I wanted to see manifested permanently within the organizations to which it was applied. Andrew Thorn, CEO and executive coach to many Fortune 500 CEOs and executives—and also the coach for Marshall Goldsmith for over nine years—created the *Symphony Solution* to help all leaders reduce their unconscious incompetent behaviors.

How does the *Symphony Solution* work?

Imagine that peer coaching meets a weekly weigh-in system. It is simple and quite effective.

1. Two individuals (most likely peers) are either self-selected or selected by their manager. This pairing becomes the nucleus for change as they work together to support each other. They need each other because they represent (1) an accountability partner, (2) a cheerleader for the other, and (3) a friend on this journey. These three roles are important because the journey to self-awareness takes a lot of effort and willpower, and external assistance will enable the moments of weakness to be less detrimental. It will also maintain enthusiasm toward sustaining overall momentum in the right direction.

2. Each person in this combination is responsible for creating their own goals. These goals can be of any kind. However, understanding that most metric-based goals (such as the percentage of business unit profitability attained, the service level percentage, working cash goals, the number of marketing qualified leads (MQLs) provided to sales, or the number of people onboarded this month, etc.) are actually built on the correct leading behaviors, we see that behavioral goals are the most important to set.

    a) These goals must have a timetable by which result are achieved.

    b) These goals are broken down into weekly (or daily if the improvements are to be obtained significantly faster or with more impact) tasks or milestones that can be reported to the accountability partner.

    c) Each week, the accountability partner asks how the process went and what help is needed for the next week (or day). Support and motivation are provided to continue with obtaining the set goals. The atmosphere of support and being genuine in your care for the other person is important, and because of the reciprocal nature of the peer coaching relationship, there will be a gentleness to the direction of accountability questions and follow-up. Partners should be careful not to be too oblique in their questions for fear of being "revealed" when it's their turn and failing to accomplish what they said they would do. Genuine care is "kind," not "nice." "Nice" is superficial and thematically formed around pleasantries, whereas "kind" is accurate and direct, with love and true concern being the main motivators.

    d) The roles are switched, and the accountability partner becomes the person who is coached and supported. This person then reports on progress and key learnings for the week (or day) to the other accountability partner.

e) To be truly effective and to put the impact of the system on overdrive, I strongly recommend quarterly 360 reviews (especially for the CEO), in which leaders identify three to five people in their work environments who can most closely gauge their performance and, upon inquiry, can provide feedback (hopefully with metrics) on the goals that are being worked on. This provides the ability for progress to be more accurately measured and reported on. It also requires more time and commitment, but this approach is more effective in improving performance.

The most important reasons why this sequence, the *Symphony Solution*, is effective are: (1) it is done between individuals within the same organization (and so the context of the process is understood); (2) it is conducted frequently (weekly meetings provide a great cadence for high-impact improvement); and (3) the goals are created by the individuals themselves (providing much more tailored improvements that are self-initiated and therefore of higher value). By having peers and business associates act as coaches, the friendship, motivation, and accountability roles accelerate the progress that will be most impactful and cost-effective.

I hope more organizations will take advantage of this simple but highly effective system of peer coaching to achieve company-wide improvement in results along with simultaneous improvements realized by the CEO. Everyone should have the opportunity to improve themselves and their performance safely and through the motivation of trust and love instead of fear.

Let's step outside the tech industry for a moment and take a look at an application of this approach elsewhere. Sometimes it is helpful to see principles at play in a setting that allows us to see more objectively since we're not overlaying our existing filters on the scenario.

Taking the data points and examples of this system working down the line and not just at the CEO level, I started a roll-up strategy based on the electrical construction industry. This is a blue-collar trade in which the small business is usually more adept at handling the tools of the trade for pulling wire through conduits and where accurate terminations of wire are hallmarks of quality. These small mom-and-pop operations are focused on the trade and often struggle to implement basic business practices and disciplines. Consider business owners who are frantically involved with fulfilling customers' needs and rarely have time to pursue new business. And when they do get more sales, they are generally based on referrals and not systematic and proactive pipelines of leads and opportunities with known conversion rates. Never mind the internal discipline of cash management, which should foster faster accounts receivable and on-time payables. And then there is the issue of providing employee benefits (in an industry that rarely provides PTO or medical benefits). Certainly, there is no concept of formalized coaching of leaders in an industry that desperately needs business and leadership investment. So why not take the tech industry's "sophistication" and apply some of its disciplines to the trade industries to achieve a relatable impact?

In May 2020, right at the onset of the COVID pandemic, we purchased a small commercial/residential electric company in Utah. The previous owner (who we kept on as manager) was quite humble and wanted to grow the business. He had grossed under $4M in 2019 but lost money. The business was slightly unprofitable, but it managed payroll expenses and vendor payments with high-stress, last-minute driving "catches" with new business revenues and personal cash infusions. In the first quarter of 2022, the gross revenues were around $3.7M, with gross margins of around 65% and a net profit of around 16.7%. Year-end revenues for 2023 are projected to be around $18-$20M. The employee count went from 30 to 90 during this time.

But that's not the real "win."

Through peer coaching and the consistent support of the manager mentioned above, we realized some incredible behavioral changes within particular employees that have impacted the business (with the metrics being the results of deeper internal changes).

- Alyssa, who manages the recruiting of new electricians, was found one day at her desk in a sad and somber state. Dave, one of the partners, asked what was going on and whether he could help in any way. Alyssa tearfully replied that everything was all right. She did not need help. After some prodding, she admitted she was sad because a prospect had not returned her emails or responded to any of her outreach to get that person involved in a follow-up interview. As someone who espouses the company's core values, lives by them, and seeks to further incorporate them into the company environment, it bothered her that the prospective employee may not have the opportunity to join a business that would undoubtedly make a positive impact on his life. She saw the company as a lifeline of sorts for this person, and yet he wouldn't respond to her outreach. What an amazing display of love and concern from Alyssa toward someone who didn't even work for the company.

- Aaron, who worked as a project manager for the company's commercial division, excitedly called and shared his personal revelation with multiple people. On July 4, 2021, while relaxing with his extended family over the holiday weekend, he had an epiphany. Up until that point, Aaron suffered from being a high performer who always underrepresented himself. While he was technically capable of leading people and using his electrical license to help with projects, he always second-guessed himself. He maintained a low profile, wanting to gain approval from others in order to feel good about himself and move forward. During that peaceful July 4th event, he ruminated on why his personal values were so closely tied to winning the approval of others. As discussed in his coaching session, he needed to think deeply about why he was conditioned to react in that particular manner. As he watched his young kids play around him and observed his wife and other family members enjoying each other's company, he suddenly realized he was indeed good enough, and even more so, he was blessed with a great family and a good life. He didn't require validation from others to enjoy such benefits. This insight was so profound and emotional that it made a deep and lasting impression within him. He no longer sought the validation of others. He was good enough, and in fact, he was great! He immediately felt a significant weight lift from his shoulders. When Aaron returned to work, his peers and managers noticed the difference. He contributed to projects and made decisions without incessantly seeking approval. He was very excited about his transformation and openly shared with others his progress, unselfishly and transparently. Aaron inspired many others to excel in their work, as he had learned to do.

- Due to the new sales and growth of the industrial division, the company had to augment its full-time workforce with temporary electricians acquired from an agency. One particular older gentleman the agency sent over was quite vocal. His project manager reported that the temp grabbed him, pulled him aside, and said, "I'm a journeyman with 30 years of experience in the trades, and I was ready to leave the job site after the first day. They were asking me to do apprentice stuff, like pull wire. But then, a couple of the people I was working with began asking me how my day was going and about my life in general. They treated me like one of their own, and my attitude changed. I'd do anything those guys ask me to do. I've never worked for a nicer company in all my years!"

- Joe, an industrial electrician of 20 years who is a road warrior with the industrial division, said that the online training program, called VIA (used to augment coaching and provide part of the methodology to groom leaders), had changed not only his professional conduct but his personal life. As part of the VIA sequence, all leaders and employees move from Delta to Charlie to Bravo to Alpha, with Alpha being the ultimate goal. In this sequence, the Delta portion of the program starts with reading books and then reporting on them (think of a book club but with big, hairy, macho men wearing work boots, and you get the idea). Some of the books were based around the Arbinger Institute's theme of "Leadership and Self-Deception," and in the case of Joe, he read the section entitled "The Outward Mindset." After completing his reading assignment, he reported to his peer coach, Jake, that he had never experienced such a work environment that impacted his personal life. “I have flipped 180 degrees on how I lead,” he told Jake. “People are not simply objects anymore.” He said that even his wife had noticed the positive changes in his life.

- Francis, one of the men who kindly befriended the older temp gentleman mentioned above, told me personally that his new foreman had recently exploded in anger. Oddly, he did so at an employee who had always been known for being a quiet, hard-working, non-troublemaking type. Knowing this, Francis took the foreman aside and tried to understand what was going on. The foreman was agitated and emotional. Based on the training and coaching Francis had been receiving, he said he paused and mentally reviewed what he had learned about love and sincere care toward others. The words that came out of his mouth to that foreman were, “It’s okay. You are doing fine. You are good enough, and you don’t have to feel the project is in jeopardy. Your value is not on the line.” To Francis’s surprise, the new foreman stopped his tirade, calmed down, and broke into tears. At that point, Francis said he didn’t know what to do and just stood there awkwardly as the man wept! He did feel that the foreman had a breakthrough because he became more compassionate toward his crew. This breakthrough occurred because Francis understood that people usually act out of emotion due to feeling unsafe or at risk. Through his training, he knew the successful leader had to lead others by connecting with them first, and that is what he relayed to the disturbed foreman.

Can’t you just see these rough and rugged men talking and sharing their feelings on the shop floor with tears in their eyes? When people learn to deal with one another as humans instead of mere employees, the entire company environment will transform for the better, and that is good for business!

SELF-REFLECTION

• How will you put what you have discovered into overdrive?

• Is it time to implement the *Symphony Solution* in your company?

• How can you bring your executive team—and ultimately your entire staff—along for this life-changing ride?

Summary

By the way, have you noticed the running theme throughout the book? Most of the examples of pain, problems, people-issues, etc. are the result of the CEO's own unwitting creation and/or amplification. Even if the business issue was about an established procedure not being adhered to, or an uncomfortable discussion being addressed with an employee or partner – i.e. the necessary intervention – the manner in which you approach the topic makes all the difference. Assuming you have the correct answer to the problem, if the solution introduced is reactive, said with anger, or introduced without the input and discussion of the team, the result will be weak, if not counterproductive, or as it usually happens, makes the issue worse. The team's ability to feel safe, heard, valued and appreciated is lost. If you address topics unconsciously out of fear, the team feels it. You can absolutely destroy your effectiveness and erase the benefits of all the hard work, training and effort. And, of course, as the CEO, you are stressed out managing all of these 'problems.'

And so, as you work on your formula, I invite you to approach the denominator with the same intensity as the elements in the nominator. To have the best short- and long-term impact, place 50% of your focus on the denominator topics and 50% on the nominator topics. Over the years (and as your tech startup grows), this focus can be reduced as the practice and discipline of emotional clarity begin to feel automatic, like muscle memory.

You will undoubtedly experience your own "aha!" moments as you put in the work. Everything will click together. Using the lessons learned throughout this book, the formula will show you how to be your best in full detail, not only in your professional life but also in your personal life.

I genuinely believe that all visionaries, from the small-time inventors working out of their studio apartments to high-ranking tech entrepreneurs and CEOs, can impact our world with their genius. They are a special breed. But as we have all seen time and again, the greatest obstacle to achieving success and leaving one's mark on the world always comes from within in one form or another that we've covered in this book.

This formula and the hard truths I have addressed will unmask you and show you who you are. Once you figure out how you work, you can rewire yourself and fix the issues that truly hold you back. This will give you even healthier support from your investors, who will now have no qualms about giving you their undivided support, which will allow them to be just a tad calmer when it comes to their own subconscious fears.

You're a leader. You know it. Leading by example will settle most insecurities, allowing you to mold and sculpt your team to be at their absolute best. Enamored investors attract more investors. Your brand grows by leaps and bounds, exceeding all your dreams. When that happens, you're in elite company.

I hope this book has helped reshape how you see the world. I have shown you that the world needs to be less toxic, pressure-driven, and full of ego. It's time to get back to embracing the idea of human capital.

Reinvesting in Human Capital

If the concept of human capital sounds like a new phrase, you are not alone. Before COVID, a company's human capital strategy could be attributed to up to 10% of its success. But the pandemic changed everything.

A tech startup that utilizes a strong "people power" strategy will find that it can attribute up to 25% of its annual success to it. That is an enormous jump! As the old saying goes, *"The times, they are a-changin'."*

Heartbreak and death have been two of the central themes surrounding the pandemic. As tragic as these times have been for so many, let's not miss the forest for the proverbial trees, either. COVID-19 also brought a "rebirth" of sorts to society. A reboot, if you will.

It has certainly been the case for me. I teach CEOs to plan and act out of love rather than fear to have a "people first" mindset regarding all facets of life: work, family, personally, and beyond. These values have never been more important and their relevance only continues to grow. It has caused me to become even more emboldened about what I teach as I see my lessons being applied in all industry sectors.

The Scarcity Mindset

One of those lessons is regarding how to avoid a scarcity mindset. Because of the burden and anguish of COVID-19, it has never been more important to subdue that mindset whenever it rears its ugly head. We're tired and exhausted, and that's when the scarcity mindset shows up.

First, allow me to explain what a scarcity mindset entails. A scarcity mindset creeps in due to fear. When you are working out of fear, what you are really doing is trying to take control of the situation. You don't want to get the help of others, or share resources to achieve your goals. Ultimately, you feel like you are the only person who can manage the business, create the vision, operate and financially manage the books. The fight to preserve, not share, to make do without, to micro-manage, is real.

A scarcity mindset creates questions like:

- **How good can I look?**
- **How many widgets can I make today versus yesterday?**
- **What can I do to prove my value and impress my team?**
- **Can I do everything without asking for help?**
- **What can I create without needing extra resources?**
- **Why is everyone not maximizing the profits in their departments?**
- **Do we need to partner?**
- **Why aren't people meeting my expectations? I'm not asking THAT much!**

Someone who does not delegate and wishes to do everything themselves hinders the growth of the company. That is not how a business is run. It is also not sustainable.

Let's use a make-believe CEO named Jeremy as an example. Most of the time, Jeremy is not awake. He is unaware of the subconscious, automatic programming that puts him into a scarcity mindset. This is a critical point.

If you asked yourself at the beginning of my book, "*What are you teaching me to be?*" or said to yourself, "*Just tell me what you want me to do already,*" and felt yourself growing impatient, this is why. Because to first understand why you are in a scarcity mindset, you have to realize that you are genuinely unaware that you are in this mindset, like Jeremy. You have to be self-aware and awake before you can truly change.

Let me give you an example of what a scarcity mindset looks like. Suppose Jeremy has small children at home and comes home to a messy house after a long workday. He feels like blowing up at his children and demanding they clean up their mess. In his mind, he feels justified. No, he doesn't enjoy yelling at his children, but his brain tells him this outburst is appropriate if it accomplishes the short-term issue he sees before him (in this example, his children's mess).

Why did he expect the house to be so clean after a long day of work? His wife may have been home all day, keeping the children at bay while trying to keep the home in order herself, but we all know how that goes. Let's say further that he expects the kids to finish their homework; otherwise, there will be no dinner for them. They must earn the privilege to eat. This may sound extreme, but I've seen frustrated, unaware CEOs do this and worse.

When Jeremy comes home and sees a messy house and explodes on everyone, it is because he does not have control over the situation, and in turn, a scarcity mindset creeps in. Then, all his fears begin to surface. He feels like a failure as a father because he fears he didn't teach them to clean up after themselves. He couldn't get more help (like a maid) to clean the place, and he fears the kids won't grow to be fully functioning adults who can be independent from their parents.

Instead of looking at the short-term and getting angry at what he perceives as his shortcomings, Jeremy needs to ignore that scarcity mindset and focus on how he can fix the issue. If coming home to a tidy environment is vital, Jeremy could focus on deploying systems to encourage his children to clean up after themselves. Again, it all goes back to the concept of investing in human capital. Suppose his children are enticed and rewarded for cleaning up after themselves. In that case, Jeremy gets the desired outcome, his children learn a valuable lesson without being screamed at, and everyone wins. By the way, I was Jeremy.

Moving Forward - Closing Thoughts

So, what's next? What advice can I give you to "chew on" as you consider my ideas and apply my lessons to your life? Take to heart these few simple truths:

- **Be aware that you are unaware.**
- **Be less harsh on yourself.**
- **Ask for help.**
- **Work on yourself—always.**

As you follow this model, you will find it easier than ever to strategize, delegate, and empower people to bring out the best in your tech startup. Don't forget that your team can benefit from self-improvement as well. Consider these options:

- **Leave the office and go on a trip. (I hear Hawaii is lovely.)**

- **Complete an intense review of documentation (e.g., financials, third-party internal reviews, etc.), looking for opportunities to unite as a team in growing the company.**

- **Bring experts to fill knowledge gaps in concentrated, short bursts (e.g., two-day boot camps).**

- **Incorporate fun activities for everyone to decompress.**

Self-reflections from Successful Tech CEOs

I want to leave you with some lessons from tech CEOs who have given me wonderful advice over the years. When you come in contact with those who have been through these challenges, it provides a perspective that we otherwise never would have known. I have shared numerous such stories with you in this book. Here are a few additional kernels of valuable knowledge that I have received and wish to pass on to you.

Self-reflections from Tim

- Breathe; this is a marathon with lots of water bottles and rests along the way.

- Identify your core values and lean on them on tough days to make your decisions.

- Master your emotions, weaknesses, and strengths. Spend time with yourself.

- Learn more about human psychology, behaviors, and emotions so you can lead, help others grow, and steer them in the right direction as part of the team they are on.

- Learn to utilize every failure as "learning." Don't forget that the degree of hurt is equal to the degree of how well you will learn.

- Surround yourself with people who can give you the right advice when you need it for business and personal reasons. Every company and leader is unique. People around you can provide guidance on what has not happened in your journey and advise you on what has worked in theirs.

Self-reflections from Logan

- I can be caring and accurate when I come from a place of love rather than fear and take the time I need to deliberate.
- Getting the right people on our team is not a destination; it's a journey.
- Not holding people accountable to clear expectations is a disservice to them and everyone around them.
- It is possible to keep growing with my company as long as I have the resources and people I need to perform while also maintaining a work/life balance.
- Embrace who I am and help others fulfill their full potential. Don't apologize for who I am or what I strive to become because my value is constant, and no matter what others say or what happens to me, it won't change that fact.

Self-reflections from Tom

- No level of talent is worth dealing with toxicity.
- Rewarding people in an unexpected fashion is worth more than anything to the receiver, as expected rewards bring less joy.
- You cannot please everyone. Count on people being unhappy and figure out how to cope with it. Do not allow it to make you bitter at people, make bad decisions, or prevent you from doing what needs to be done.
- Being nice and kind are DIFFERENT. Be kind; don't focus on being nice.
- Transitioning from your customers buying YOU to buying the COMPANY/PRODUCT is harder than you think.

A Final Word

Our brief journey here together has come to an end. Where would you like to go from here?

Some tech CEOs like you begin implementing the lowest-hanging fruit or the “aha!” moments they had while reading this book. This is a perfectly appropriate next step.

Others have questions for me. I am always open to addressing your most pressing needs.

And then there are those who have felt inspired to invite me into their worlds and guide them in a deeper, one-on-one engagement to address their specific situations and accelerate the implementation of the principles and practices in this book.

No matter where you’re at right now, when you’re ready to talk, you can easily contact me through my website: **TechCEOCoach.com**. In the meantime, you can also find more information at my website on my background and the format of our coaching relationship.

I look forward to talking with you when you’re ready.

-Benoy Tamang
Tech CEO Coach

TechCEOCoach.com