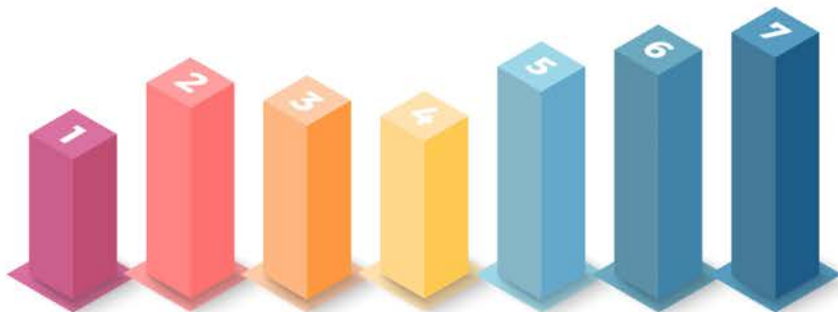


# The Founder's Evolution

Conquering the Journey  
Every Founder Must Face

by Scott Ritzheimer



# Contents

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Introduction	3
<b>The Founder's Evolution</b>	
Stage One	11
<b>The Dissatisfied Employee</b>	
Stage Two	19
<b>The Startup Entrepreneur</b>	
Stage Three	27
<b>The Reluctant Manager</b>	
Stage Four	35
<b>The Disillusioned Leader</b>	
Stage Five	43
<b>The Chief Executive</b>	
Stage Six	51
<b>The True Owner</b>	
Stage Seven	59
<b>The Visionary Founder</b>	
Conclusion	66
<b>Finding a Guide</b>	

1

2

3

4

5

6

7

It's the championship game. There are 6 seconds left, and your team is down by 4. You've got the ball, but it's fourth and goal on your opponents' 3-yard line. A field goal isn't enough. You only have one option. You go for it, all or nothing.

You have the perfect play for this situation. It's a fake to the running back and a quick toss over the outside shoulder of your star wide receiver in the corner of the end zone. The team has practiced the play hundreds of times. They're ready.

You call the play and stand nervously on the sideline. You've been the one on the field when it's all on the line. You've been in their shoes. You've thrown that same pass so many times by now you could do it in your sleep.

But you're coaching now. Now, you lead from the sideline. There's nothing you can do at this moment but hope that everything you've done to prepare your team is enough.

The quarterback gets the ball, fakes to the running back, and it works; the defense bites and collapses on the hole in the line. It's only been a split second, but so far, everything is going to plan.

But then you look at your receiver. Horror. He's blocking. He's not running the route. You know what needs to happen. You know where the ball is going. You know he won't be there.

**What do you do?**

You take off faster than even you thought possible. You race down the sideline, onto the field, into the back corner of the end zone, and make the catch!

And the crowd goes wild!

Except they don't.

Eighty thousand people in one place, and you could hear a pin drop.

Silence. Not even the broadcasters know what to say. Everyone is speechless.

You do your end zone dance, but the scoreboard doesn't change.

Then you see them. Little yellow flags everywhere. And men in black and white stripes running toward you.

"Unsportsmanlike conduct. Fifteen yards from the spot of the foul."

Game over. You lost.

Your team stands shocked. Both players and coaches are still processing what happened. Some shake their heads. Others hang theirs in shame.

Everyone wonders, "Did that really just happen?"

**Okay, this is ludicrous. Crazy.**

No one in their mind would ever do it. In the history of professional football championships, it has never happened.

But is it really all that crazy? Is it truly unheard of?

Not by a long shot!

I see this same scenario happen every day, not on the sports field but in the companies, churches, and nonprofits I work with. I see leaders leap from their sidelines, make the diving catch, only to get up and wonder why no one cheers and everyone, including them, is so exhausted.

The answer is surprisingly simple.

Even though you've been CEO since the day you started your organization, your position has changed and will go through 7 distinct transformations.

To altogether avoid the exhaustion and frustration many of us have come to accept as just part of the deal, all you need to do is recognize how your role has changed and act accordingly.

## The dynamism of leadership

Leadership is anything but static. It's constantly changing. The moment you finally get your hands wrapped around a challenge, it seems like the rug is pulled out from under you, and a brand new challenge stands in front of you—one that you are almost certainly unprepared to face.

I love it!

And I'd be willing to bet you do too (or at least you did, but we'll get to that later).

We love the challenge. We love the change. We love the character it builds in those who stay in the game, adapt to the changes, and roll with the punches. We love knowing there is always more, that there is always a new hill to conquer and another mountain to scale. No matter how much you've grown as a leader, there is more to learn. You have room to grow and another adventure on which to embark.

And while I love the challenge, few things break my heart like seeing a great leader stall. It's easy to feel the sting of potential (or present) defeat and fall back to what we know and trust, what we're good at. And in doing so, we sell ourselves short, not because we aren't good at what we do, but precisely because we are good at what we do.

***As leaders, we sell ourselves short, not because we aren't good at what we do, but precisely because we are good at what we do.***

You see, the greatest trap leaders, even great leaders, fall into is to create so much success at one stage of leadership that they are necessarily thrust into the next. In and of itself, this is hardly a problem. You could even say that is the goal.

The problem lies, instead, in our response.

Here's how our thinking goes:

"What got me here is XYZ, and the better I got at XYZ, the more my influence, income, and/or impact grew."

"So the keys to my success are XYZ.

"When I face a new challenge, I'll employ XYZ, and I'll become more successful."

You and I know it doesn't work this way. It's the coach trying to make the catch and save the day for his team and breaking everything instead.

However, you and I act this way every single day. All great leaders do. At least to some extent.

How do I know? Because that's what made them great leaders.

Great leaders become great leaders by doing more of what works than anyone else around them.

## It works until it doesn't

And that's the key. How do you know when your current leadership strategy is going to expire?

That's what this book is all about. I'm going to show you the seven distinct stages a founder goes through as she grows her organization and her leadership.

More importantly, I will show you the seven transition points and the thresholds that stand between each stage. The ones that trip up unknowing leaders every single day.

But you don't have to trip. You can step right over each threshold and keep on running, so long as you know where it is, and you know how to step. While that changes at each stage, it is, as you will see, highly predictable.

I will teach you how to look around the corner at what is coming in your development as a leader.

## Who this book is for

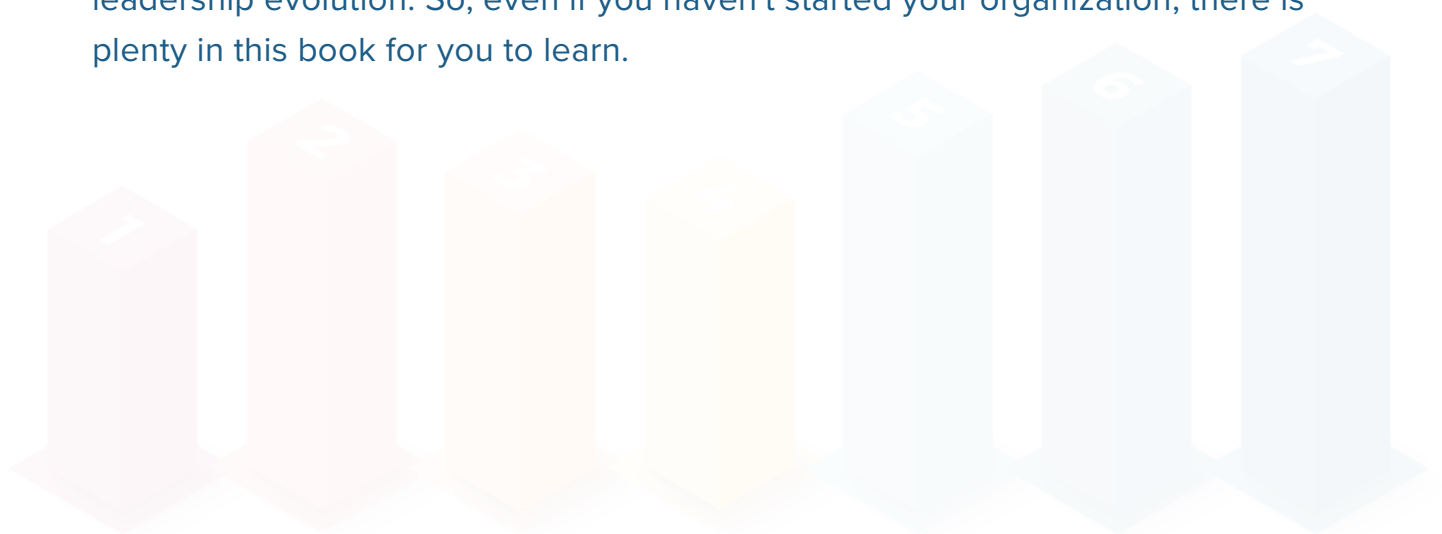
I love founders. They are collectively and individually my heroes. Brave men and women who leave the comfort and security of their current circumstances to try and make something new. Each and every one of them is an underdog; the odds stacked heavily against them.

When it comes to leadership, theirs is the most visible endeavor. Most founders out there today are leading at the highest level they've ever led. They are leading the largest organization they've ever led. And the vast majority of them are doing it without any semblance of a map.

And when they fail, which they do with great regularity, everyone sees it. There's no hiding at the top of an org chart. There's no slipping away when it's your signature scribbled on all the documents. There's no one else to take over when you're out of your depth.

And for these reasons, I am writing specifically to those who founded their organization.

While this book is explicitly directed at those who took the brave but fraught step of starting their own organizations, the principles at play are true in every leadership evolution. So, even if you haven't started your organization, there is plenty in this book for you to learn.



## A universal pattern

First, as I mentioned, these principles apply to every leadership evolution. While the anecdotes and some phraseology may differ from your circumstance, the truth behind the words stands true.

And this isn't me tooting my own horn. As a leader, I spent the first decade of my working life rushing through these stages. It was whiplash at best. I was succeeding, but it sure didn't feel like it on most days. I was, in the words of the great Bon Jovi, "living on a prayer." I even had the Bon Jovi hair for a stint, but we won't go there.

It wasn't until I started coaching and consulting that the patterns suddenly came into focus. When you are at the ground level, it is exceptionally challenging to see the patterns at play. But once you zoom out, it's much easier to see the big picture. I've had the fortunate experience of being able to zoom out. To witness a volume of stories that are not my own and recognize the repetition that occurs again and again in every story.

And it's not just me.

As these stages began to take shape in my mind, I started to look outward for validation. However, I couldn't look to leadership books that all suffered the same myopia I once had for one reason or another.

Fortunately, the answer hit me when I read *The Hero with a Thousand Faces* by Joseph Campbell. Story nerds will know who that is, but for the busy leaders reading this, suffice it to say that Joseph Campbell is "The Godfather" of modern story structure. He identified a pattern called the Hero's Journey. As I read through the different stages of the hero's journey, I realized Campbell had identified the very same path that I have seen countless founders journey. We were using different language, but we were describing the same truth. And when I saw that same truth come through a profoundly different source, I realized this was more than a few anecdotes I experienced along the way.



There is a universal pattern at work. If we can understand that pattern and identify where we are within it, we can accurately and effectively determine what we need to do to succeed NOW.

## The aha moment

I've had the privilege of hearing the stories of countless founders. And one thing I noticed was how frequently they all had an aha moment, an epiphany; some may even say a calling. Of course, it happened well before they ever became a "founder," but it was a pivotal point in their story and their career.

The second reason for this book is you may be reading this as a pre-founder. You may not have words for it, but you have been feeling inner angst starting to build. You may be wondering if you have what it takes. You are stuck between the belief that there is a better way and the doubt that you'd ever be the one to make it happen.

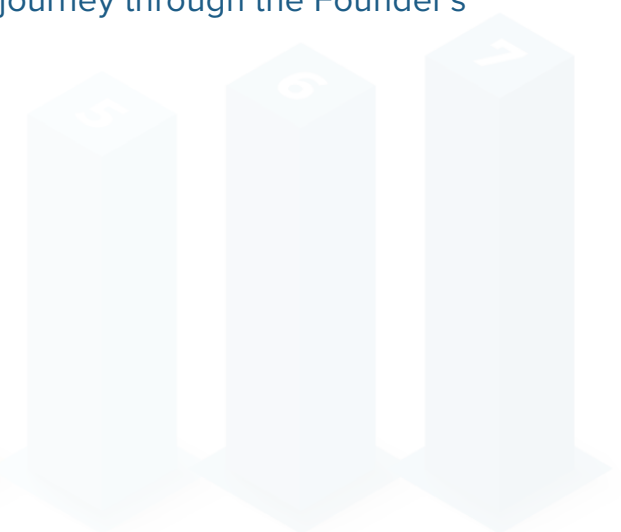
If so, guess what?

Your founder's evolution has already begun. You are in Founder's Evolution Stage 1: The Dissatisfied Employee. And that's the topic of our next Stage.

## The road ahead

Before we go any further, I want to quickly list all seven stages for you as they will serve as a roadmap for this book and your journey through the Founder's Evolution.

- Stage 1: The Dissatisfied Employee
- Stage 2: The Startup Entrepreneur
- Stage 3: The Reluctant Manager
- Stage 4: The Overwhelmed Leader
- Stage 5: The Chief Executive Officer
- Stage 6: The True Owner
- Stage 7: The Legendary Founder



A position on a sports team will illustrate each stage. If you don't know sports, that's no problem at all. You'll be able to follow right along with no problem.

For each stage, I'll also share several key facets about the stage that will help you to identify when you've stepped into the stage, succeed in that stage, and recognize when that stage has come and gone.

As we work through these stages together, you'll find that one question defines each stage. You will find these seven questions to be surprisingly illuminating and, if viewed correctly, profoundly challenging. My hope is that if you remember nothing else, you will remember these questions because they are the very beating heart of your evolution as a founder!

## A note for nonprofits

I've helped start over 20,000 organizations, businesses, churches, schools; you name it. I've helped men and women, and I've seen both succeed and fail. I've been a founding member of multiple businesses, a church, and an international ministry, and I've seen some succeed and some fail.

Having had the rare experience of sitting at the intersection of the for-profit and not-for-profit worlds for my whole career and seeing such an enormous volume of founders' stories, I can tell you that this pattern holds true no matter what type of organization the founder is starting.

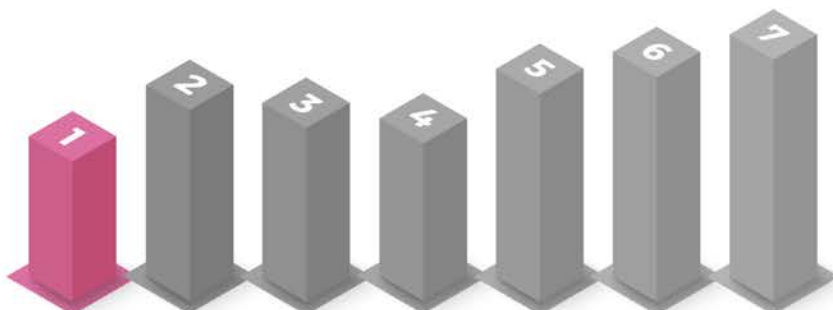
I may use words and phrases like business world or he or organizational or she, but I'm doing so for the sake of simplicity and not to identify a specific subset. If I need to identify a particular group to highlight an important nuance, I'll state that clearly. Otherwise, you can assume, regardless of the phrase, that it applies to you.

# The Dissatisfied Employee

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Hearing the Call to  
Entrepreneurism

Stage One



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The first stage of the Founder's Evolution happens before you become a Founder. Without this first stage, the journey never is. However, while it is existentially vital, the first stage is far from comfortable. In fact, it is marked by dissatisfaction. It is, by definition, uncomfortable. And it needs to be.

Unfortunately, nothing great ever begins with comfortable people. When we are content, we resist change. We fight to maintain the status quo. We cling to and even defend what we have.

It is, for this reason, comfortable people don't become Founders. Comfortable people don't launch businesses, plant new churches, or start new nonprofits.

No one in their right mind would!

8 out of 10 new organizations fail.

Let me say that another way.

**8 out of 10 new founders fail.**

That stings a lot more.

Founding a new organization is incredibly risky. It takes guts. And honestly, it takes a little bit of crazy.

And this is what happens in the hearts and minds of "pre-founders" at the genesis of their evolution. They are starting to feel a little crazy.



# Feeling a little crazy

"Pre-founders" may begin "feeling a little crazy" for many reasons, but at their core exist one question.

"Isn't there a better way?"

We tend to cast founders as unemployed slackers living in their parent's basement, unable to get by in the real world or hold down a real job. But that stereotype is dead wrong.

The truth is that founders (especially those who succeed) start as employees. And they're not your everyday, run-of-the-mill employees. They often earn 25% to 50% more than the average pay for their role. And the type of role they're in doesn't matter. They can be servers at a restaurant, an executive pastor, or even a Chief Operating Officer. Whatever they are doing, you will find the vast majority of pre-founders excelling.

But what separates them from the rest is dissatisfaction. It isn't enough.

Now it can be money, but more often than not, it is the freedom and autonomy to create a better way. A better way for their career. A better way for their clients or members. A better way for the world around them.

There has to be a better way. There must be more. And it's here that the vision is born.

But it's not quite time to take the leap. That is Stage 2: The Startup Entrepreneur.

Remember the 8 out of 10 who failed? Many founders who fail, fail because they jump too soon.

And this brings us back to the purpose of this book. You must first accurately identify the stage you are in and then work the right strategy until the transition happens and you enter the next stage.

So let's look at the specific strategy you need to implement to make the most of Stage 1 and set yourself up for success in Stage 2: The Startup Entrepreneur.

# The Trainee

To do that, I must introduce the sports position we'll use to illustrate Stage 1: The Trainee. The trainee is someone who isn't in the game yet. But what makes them different from the spectators in the stands is proximity.

They are on the sidelines of the game. They are watching it firsthand. They are studying and learning as much as possible. They aren't trying to reinvent or revolutionize anything. They couldn't even if they tried. They're not trying to impose themselves on the game or tell the players what to do. They are students - watching and learning.

They're on the practice squad serving those already in the game. In exchange, trainees gain experience and an inside look at how the machine works.

## The metaphor breaks down

The metaphor breaks down here not because it's incorrect but because it is so rare in the business world. Instead, we try to shortcut this step or skip it altogether. It's more evident in the sports world because you can't haul off and start a new team. Not in the same way you can start a new organization.

Anyone can start a new organization these days. It's very easy.

And while I don't think the government should impose any arbitrary limitations on the ability to start a new organization, as founders (or pre-founders to be precise), we shouldn't confuse the ability to create a new organization with the ability to lead a successful one.

The difference is the intentional time spent on the practice squad. As dissatisfied employees, we cannot let our dissatisfaction sabotage our success by making the leap and hanging our shingles too early. Instead, we need to leverage our discontent to make the extra effort to get around the best players in the game and watch them closely.

*If you want to get in the game and be an entrepreneur, you need to leverage your dissatisfaction to make the extra effort to get around the best players in the game and watch them closely.*

## Essential strategies for Phase 1

And that is the essential strategy for Phase 1 of your Founder's Evolution. You need to find as many ways as possible to get near the game, understand it, and practice it before you get into it. Louis Pasteur said, "Chance favors only the prepared mind." And by getting yourself near the game, you are giving yourself the best chance of entering the game at precisely the right moment.

So get near the game. And if you're wondering how, here are a few suggestions.

### 1. Get hired

If you want to start an organization of a specific type, or within a particular industry, or in a specific place, you may want to go work for someone else who already is (or is close).

This strategy won't feel like Plan A. It may feel like a step backward. It may even be a step back in pay, benefits, hours, or prestige. But it is one of the best ways to prepare yourself for the day you make the leap. And more often than not, it is better than the alternative – volunteering.

### 2. Volunteer

Yes, I'm serious. If you can't get paid to learn the ropes, do it unpaid. The cost of volunteering is substantially less than failing as an entrepreneur 100% of the time. If you are that passionate about starting your own organization, then time spent volunteering for someone already succeeding in the space is nothing less than a worthy investment.

Volunteering takes a tremendous amount of humility. Especially if you've already experienced success in your career. But having started organizations that have succeeded and failed, I can tell you that you should never even begin the

journey to becoming a Legendary Founder if you aren't first willing to take on the humility of a trainee. Entrepreneurship is a constant lesson in humility, so you might as well get on that train now.

### 3. Get close

If you can't get hired or volunteer, the next best thing is getting close to those in the game. Befriend them, help them, interview them, and follow them on social media. Don't be a stalker. Be a learner. Honestly, it will take some persistence. Successful people are typically busy people. Be civil but determined. Be clear in what you want but respectful of the boundaries they set.

### 4. Listen and read

The only way to evolve as a founder or any leader is to learn. It doesn't matter one bit if you were great in school or not. Some of the most legendary founders never made it to high school. Others have graduate degrees from Ivy League schools. So classical education, for better or worse, is irrelevant.

What matters is whether you are a learner or not. If you get in the game thinking you know everything, you are in for a rude awakening. The particular challenge for a founder in Stage 1 is to both assume you don't know anything before making your decision AND have unwarranted confidence you've made the right decision. Furthermore, it's vital to know when to change that decision once you realize it was wrong.

The best way to prepare yourself for this paradox is to be a student of the game.





# Surviving your time as a Dissatisfied Employee

Stage 1 is challenging. No one wants to extend and increase their dissatisfaction knowingly, but that is what being a Dissatisfied Employee is all about. What you're doing is storing up fuel for when the going gets tough.

Because as uncomfortable as this stage is, it's not very difficult. In fact, there is a special gift that you can only enjoy at this stage.

There is no pressure.

Sure, it doesn't feel like there's no pressure. You're probably working at least two jobs. Every day you don't make the leap feels like you're dying inside, at least a little. But the truth is, there is no pressure. If you get near a game you don't like, you get to quit before you ever start.

At the end of the day, if you work or volunteer for someone else in the game, the score doesn't matter. You're not there to win; you're there to learn. And you can learn every bit as much from a loss as you will a win. You don't have to meet payroll. You don't have to pay corporate taxes. You don't have to hire or fire people. At the end of it all, the buck stops with someone else.

Enjoy it. Seriously. Enjoy it.

These pressures are real. Ask anyone in the game, and they'll tell you. So don't miss this gift of Stage 1.

Now, you may feel like you've stalled. You'll feel the impatience boiling. But know that what you learn in the following days and months can save you years and decades once you hang your shingle.

# Transitioning out of Stage 1

Throughout this book, one theme you will repeatedly hear is the need to assess your "when" accurately. To get you started on the right foot I want to introduce the first transition so you can keep an eye out for it if you currently find yourself in Stage 1.

At some point, the frustration will hit a boiling point, intersecting with some external timing event.

- You'll get a new boss at your day job who is simply insufferable.
- You'll have a falling out with your current boss.
- You'll get passed over for a promotion.
- You'll be offered a promotion that you don't really want.
- You'll have a chance meeting with a potential business partner or investor.
- The timing will be just right for the market.

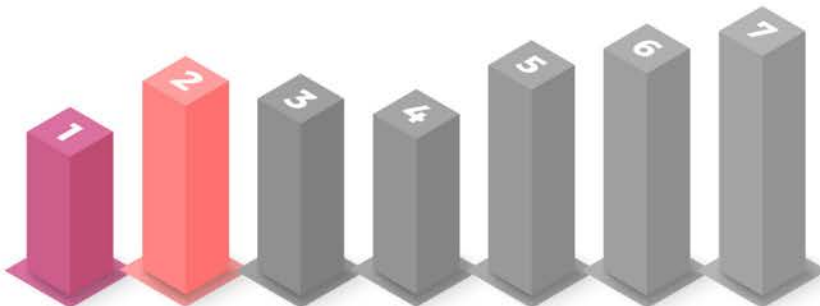
You'll know in your heart of hearts it is time. And because you've been close to the game and actively engaged in learning and preparing, you'll be ready at a moment's notice to make the leap and start your organization.



# The Startup Entrepreneur

Making the Leap into  
the Great Unknown

Stage Two



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I have a brilliant practice golf swing. You know, that obligatory fake shot you make before you step up and hit the ball. I'm great at that fake shot. It's smooth. It's powerful. It looks good. And I imagine the ball going right where it's supposed to every time.

It's so good that I've concluded that my swing is not the problem. The real problem is when the ball gets in the way. That thing has a mind of its own.

Many brand-new entrepreneurs and founders face this same feeling. They've thought and dreamt of starting their own organization over and over again in their mind. They've seen the freedom they can have. They've smiled as the thought of success rose to the surface of their mind.

And then they start. They make the leap. They step up to the ball. And instead of that beautiful straight line off the tee, the ball slices hard to the right. And now they're in the woods.

The wonderful thing about it is most of us are fine with that. Much to our family and friends' bewilderment, we'd rather be hacking away at a ball 40 yards into the woods and be in the game. That's infinitely better than hitting perfect shots on the driving range or, even worse, watching someone else hitting perfect shots in their own game.

## Is that a smile?

And so, if you were to go out and ask any random startup entrepreneur how the new business is going, you would get a huge smile followed by a whole list of superlatives. "It's wonderful." "It's amazing." "I'm loving it."

They're going, and the adrenaline is flowing. And in many ways, it's a truly wonderful time.

Simultaneously you feel like all your life has prepared you for this moment AND like you are way in over your head. Because you are.

And despite the smile you show everyone around you, inside, you are plagued by the question: **What was I thinking?**

# What was I thinking?

My favorite definition of the word entrepreneur is someone who quits working 40 hours for someone else to go work 80 hours for themselves (and get paid less to do it).

Even though our news media and podcast heroes all celebrate the seemingly mythical wonder world of entrepreneurship, all the fluff has a way of disappearing when you are still up at 2 am trying to finish a project, prepare a shipment, or find out how you can hang on to enough cash to make it until your next sale.

The collective mythicizing of entrepreneurship is a profound disservice to those brave souls who were willing to put the safety of the sidelines behind them and get in the game.

Most of us walk in blindly and are in for a rude awakening. For this reason, my advice for the question, "Should I start this business?" is always, "No." If there is any other way to achieve the end you have in mind, take it.

Because entrepreneurship is hard, and starting something from nothing usually fails.

But don't for a moment think that I am anti-entrepreneurism. I love entrepreneurs. I deeply respect founders. And I will bend over backward to help those already in the game obtain all the success they desire. And if you choose to leap, I'll support you too.

I just want you to know what you're getting into ahead of time because it won't be easy. We call this stage for the organization Early Struggle, which is best described as waking up each morning, finding a sharp object, and banging your head on it again and again.

The goal is to stay in the game long enough to figure it out and win!

Okay, I've admittedly been a Debbie Downer so far because that is a message most people won't hear anywhere else. But now that you know what you're getting into, let's take a look at how you can succeed in the second stage of your entrepreneurial journey.

## The Star Player

And succeeding at stage 2 is all about becoming the star. It's about becoming great at what you do. It's about building a better widget, closing better deals, and marketing to those missed by the masses.

It's about stealing victory from the jaws of defeat, and you do that by being the best yourself.

It's hard work, but it's a lot of fun. The better you get, the more the world opens up to you. There's recognition. There's compensation. And there's proving to the whole world you have what it takes.

This is what makes a star a star. They do what they do better than anyone else. And that's why they win. That is, quite frankly, why they make the big bucks. They are the best of the best, and the game heavily rewards the best.

Much effort goes into finding players with the best builds, the best stats, the best training, and the best instinct for the game. Winning is physical. It's tactile. It's concrete.

It's all about what you can do.

It's also not about a lot of other things. Even good things.

You don't have to be a great leader to be a star. You don't have to be a great manager to be a star. You don't have to be a great strategist or predict every move your market will make. You don't have to think "team first." You don't have to plan every move of every play. Star players aren't encumbered by all of these other thoughts. And it is precisely that focus that makes them great at what they do.

# Essential strategies for Phase 2

And that is the essential strategy for Phase 2 of your Founder's Evolution. You need to focus on getting better at what you do. It's not as much strategy as it is tactic. In fact, too much strategy at this stage can be counterproductive. Instead, embrace the relative simplicity amid the maddening busyness. When you do, it allows you to shorten your focus and excel at executing on the fundamentals repeatedly.

So hyper-focus on getting better at what you do. And if you're wondering how, here are a few suggestions.

## 1. Get clear about what it is that you do

This seems obvious. So obvious that it is often overlooked. But you would do well to have clarity about what you do. Or better yet, what you actually should do. Often, getting clear about what you do will help you realize there are some skills you are seriously lacking. Things like sales, marketing, time management, and prioritization all surround the "thing we do" and, if not dealt with, can quickly sabotage the effectiveness of "what we do."

## 2. Develop you

There is a return on selfishness in these early days. Your work is so central to the success of your organization that it is right, even necessary, to focus on developing yourself. You need to produce more, in less time, with fewer distractions.

When looking for help, you want to find people who can specifically help you get better at doing what you do.

You may have a few other employees around you at this point. If so, that's a blessing. Enjoy it. But don't feel too much pressure to develop everyone together.

The ideal (read most effective) scenario is often where you make the plays, you are the star, and you bring people around you who can make you better.

Sure, this can be an ego thing for some. But it's just as much about ego if you won't do it simply to prove you don't have an ego.

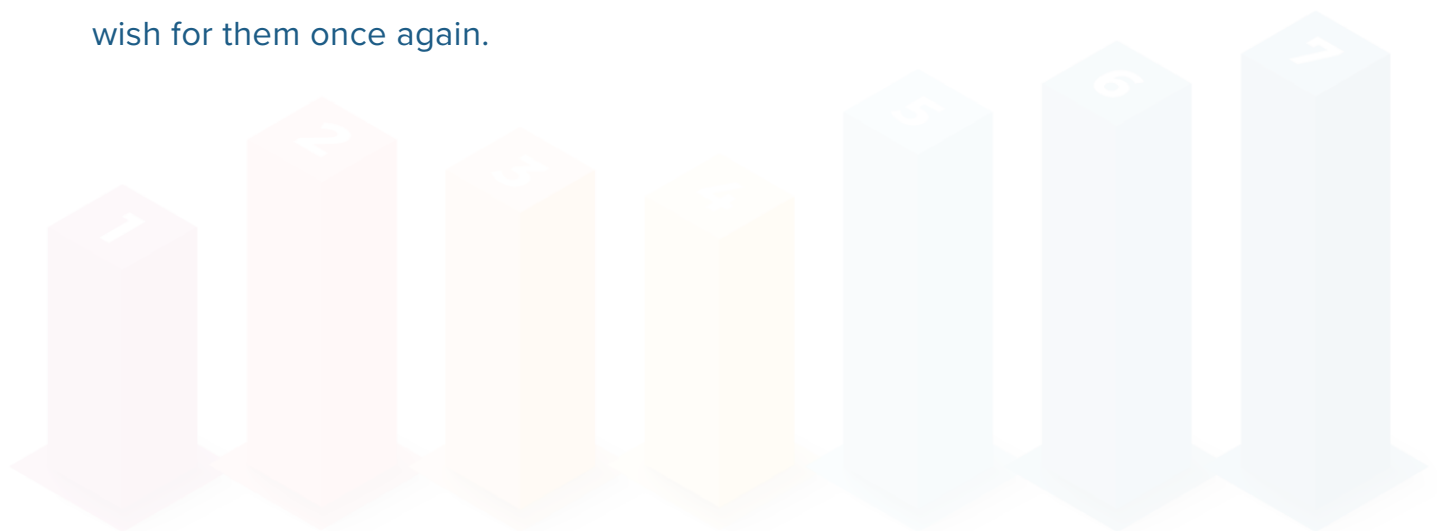
The key to success in stage 2 is to orient your organization around you doing what you do best and everyone else filling in the gaps.

### 3. Finish things

You've got to get the proverbial ball across the line. That means you need to finish what you start. There is an endless opportunity to start and try and explore new things. Those who succeed the most in this stage do so by trying some things and finishing most things.

And this is actually one of the greatest gifts that stage 2 has to offer. You have the greatest capacity to quickly finish the tasks you start. Years and decades from now, you'll look back on this time from your corner office suite and think fondly of how nice it was to simply do what needed to get done. You don't have to ask anyone. You don't have to get anyone's buy-in. You don't have to coordinate 40 people to get them all moving in the same direction.

It's point-and-shoot. And while starting is a lot more fun than finishing for most founders, if you let it, finishing can create its own satisfaction. And as hard as it is now, at some point in the future, you'll look back on these days and quietly wish for them once again.





## Transitioning out of Stage 2

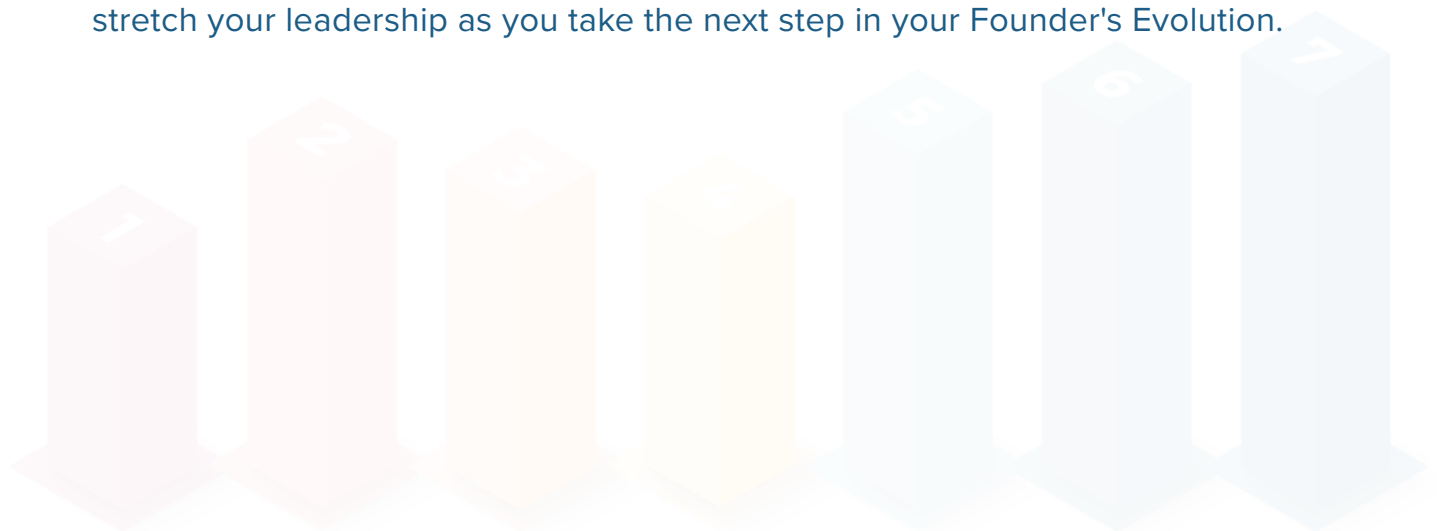
The transition out of stage 2 is a curious one. We long for it to happen. But when it does, we wish it hadn't happened so soon.

You see, stage 2 is one of the best stages to stay in for a very long time. It's great to be a star. Once you get to the top of your game, you'll want to stay there. It feels great. Unlike the world of sports, where a player's primacy is limited by their physical capacity, the world of business (or nonprofits, etc.) offers much greater longevity to its stars.

Many founders spend the rest of their careers in stage 2 and love it. Of course, time spent as a Startup Entrepreneur is no panacea, but it can be incredibly rewarding and fulfilling.

And the next stage, though it brings progress in your journey, doesn't feel quite as good as you make the transition to Stage 3: The Reluctant Manager.

So keep Stage 2 going for as long as you can. Keep things simple for as long as you can. But if your vision requires more than you can achieve alone or with a few others, it's time to transition to Stage 3. And to do that, you need to hire or promote a #2. The title of this role doesn't matter. But what must be true is that they also need to be a star player. Bringing in another high-capacity individual will create room for further focus on what you do and how you succeed personally. You will also create a whole new host of growing pains that will stretch your leadership as you take the next step in your Founder's Evolution.





# The Reluctant Manager

**Employees: You Can't Live With Them  
You Can't Win Without Them**

Stage Three



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We hit the ground running. It was September 2008 when we relaunched our business, and although much of the world was in the tumult of the financial crisis, we were on fire. The relaunch had gone stunningly well, even though we had inherited some severe problems from the previous owners. We had debt-ridden relationships with our vendors, an utterly unusable website (which was a big deal for a web-based company), and several hundred frustrated customers who had paid their fees to the previous owners and gotten little, if anything, in return. But despite all that, we were growing like crazy.

It was hard work, but it was so much fun. We would start the day full of excitement and end the day righteously exhausted. My partner worked the phones and had the sales pouring in while I worked the back end getting the job done and getting our website back on line. We immediately brought in a couple of employees who had worked for us in the past, and it was go time.

Over the next 12 months, more and more sales came in (partly thanks to finally having a working website). So we hired and hired and hired. Like so many startup entrepreneurs, we basically had three criteria for a new employee:

- Did they have a pulse (honestly, sometimes this is the furthest we made it)
- Did we like them?
- Did we think they could figure out how to do the job?

And one day, I suddenly woke up to the fact that someone needed to manage all of these people, and that someone was me. It was incredibly frustrating.

At any given time, I was working on three or four projects. But I would find myself working an entire day without touching even one of them.

Instead, I was constantly helping employees, firefight, and smoothing things over with customers. I had work I needed to do, but more and more, it seemed like all I did was fight fires and fill in gaps for other people. I was the "boss," but if I'm honest, most days, I felt more like I was working for them than them for me.

I started avoiding the office. I would work from home so that I could get something done. I would come in early or come back and work late or over the

weekend just to have the time to do what I needed to do without being bothered by someone else.

I had reached Stage 3 of my Founder's Evolution. I had become a Reluctant Manager.

## What's wrong with these people?

Have you ever asked yourself that question?

Or have you thought to yourself, "If I need it done right, I'll just have to do it myself?"

Or maybe you've asked, "Why doesn't anyone see this the way I do?"

Or perhaps you've thought, "I work so much harder than these people." And if you've said it, I can all but guarantee you've thought it 1,000 times for every time you've let it come out of your mouth.

It's the defining question for a Reluctant Manager. It's at this stage that you realize not everyone is wired like you, but you probably haven't entirely realized yet that that is a good thing. I mean, would you work for yourself?

While all new managers, who are high performers in their own right, feel this same way, there's an added layer for the Founder. Your people's pay is coming out of your pocket. And you're looking at them thinking, "I could have bought a new boat in cash, but instead, I'm paying you to sit there and ask me questions and do a half-baked job to boot."

It's infuriating.

Now, I want to pause to say it's not that they are doing a lousy job. And as you'll learn (typically at a later stage), the vast majority of the problem is you, your hiring, your training, and your managing. You're probably a pretty lousy manager.

Again, would you work for you?

And here's why it matters. And this is what separates Stage 3 from Stage 2. You can't do it all on your own anymore. You are now dependent on those you hired to do your job. And, especially at first, that is very uncomfortable.

## The Captain on the Field

Being a reluctant manager is like being the captain on the field. You have a job to do, just like every other player on the field. You're likely better at that job (and maybe a few others) than anybody else on the field.

BUT (and this is a big BUT), it's no longer enough to be great at your job. To win, you now have to make sure everyone else is doing great at their job as well. You can't just throw the ball to yourself for the win. You need (not want, not even get to have), but need to have others executing their jobs well so that you can do your job and your organization can grow.

This has a whole host of unintended consequences. Here are what I believe are the top three.

You have to call the play and then run the play that you called. Your ability to change the play midstream is only as good as your ability to communicate the change to everyone else. Back in Stage 2, if you wanted to go left, all you had to do was turn left. But now, if you go left, and everyone else is still going right, you either fail or have to work at least twice as hard to succeed.

You are on someone else's schedule. Most of the people you hire are going to work mostly normal hours. They are more likely to be there at 2 pm than at 2 am. That means if you need them, or even worse, if they need you, you must be there at 2 pm while they are working. This is a taste of prison for many founders and one we resent if we're not careful.

You have to hold others accountable. If you're like founders, you probably don't want someone else telling you what to do, looking over your shoulder while doing it, and reviewing your work when it's done. That sounds terrible, right? Yet, that's what you need to do if you want to make sure everyone else is doing what they are supposed to be doing, not all the time, but a lot more than you probably

do. At this stage, you don't just get to say jump and expect everyone to know exactly where to jump, how high, and how many times. You have to teach, train, monitor, and review; you probably aren't too fond of that.

So what do you do?

## Essential strategies for Stage 3

Being a reluctant manager is, quite honestly, quite miserable. But it's also entirely avoidable. To find your way through, you have a decision to make.

### 1. Make your decision

The decision is this. Do you want to move forward or backward? And before you conclude that forward is always better, consider what you actually want. Do you want to be the star player? Do you want to stay in the game? Do you want to do whatever it is you want to do, unencumbered by others? If so, you'll want to find a way to simplify, lessen your headcount, and return to Stage 2. If that's not enough. If you're going to build something bigger, something better, then you need to stop resenting your role as a manager and start embracing it. Your success will be defined more and more and more by your ability to manage well. So much so the next stage stays on the sidelines, but I'm getting ahead of myself.

### 2. Speak and think in terms of the team's success

You have to take a look at the pronouns you are using. How often are you saying "I" and "you" versus "we" and "us?" This seems simple. Trivial even. But it's groundbreaking. Right now, you and the organization are likely synonymous. You make money when the organization makes a profit (or grows its impact). When you want to go in a direction, that becomes the vision of the organization. You need to double down on your use of plural pronouns. "This is our goal for the

year." "We will succeed when we...." And even "When you drop the ball here, this is how it affects all of us."

### 3. Find your #2

I could write an entire book on this one topic; it's that important and impactful. You only split so many ways. You can only manage so many active connections in your mind. You don't scale. Once you get to 10 or more staff, you'll likely find working in the organization and trying to grow it simultaneously is dizzying, if not downright impossible. You will enjoy Stage 3 far more, accomplish far more, and do it all in far less time if you can offload some material part of the organization to someone you trust.

## Transitioning out of Stage 3

You can achieve substantial growth both personally and organizationally in Stage 3. And in doing so, a curious thing happens. Where you once were the only one who could do the job right, you're now the most likely one to be messing things up.

There are new systems and processes, and there are people who spend all day, every day, doing what you did at most for 20 minutes a day, even when you were a solo operation.

You'll have star players that can catch the ball better than you, run faster than you, and do their one thing better than you, whatever it is.

And this creates a conundrum. What do you do? You used to win by being the best, selling the most, and being most loved by your customers. Now some customers don't even know your name.

It used to be when you were gone nothing happened. But now, if you leave for a week, it seems like the team is more productive than when you are there.

It can feel like you're being put out to pasture.



This is the fourth stage in your Founder's evolution: The Disillusioned Leader. And I think it is the most challenging stage of all.

## Enjoy the gift of Stage 3

Because Stage 4 is so hard, it is even more critical to find a way to thoroughly enjoy Stage 3. Please don't waste time resenting the people who work for you and the needs they have along the way. Don't lament having to get in and get your fingers dirty. Don't worry about the mud on your boots. Enjoy it.

Enjoy that you still get to do the work. Enjoy that you have others who can do more and more of the things you don't like to do, even if they do it differently from you, even if they mess it up from time to time. These are good days. You will likely build some of your deepest, most fulfilling working relationships during this time. You will likely enjoy more freedom of choice during this time. You will likely achieve the highest impact in the shortest time from decision to execution. So don't let the challenges of Stage 3 steal all the fun that you can truly enjoy during this stage in your journey.





# The Disillusioned Leader

I'm Pretty Sure I Never Signed Up For This

Stage Four



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Stage 4 of the Founder's Evolution is the single greatest shift in the entire journey. Your entire history as a founder and a leader up to this point has taught you the skill of winning the game on the field.

In Stage 1, you learned the skills of the very best players out there.

In Stage 2, you dove in and learned in real-time, real-life what it takes to win.

In Stage 3, you focused on what you did best while learning to keep everything else moving through others.

You won by working, by doing. And the simple fact that you have made it this far proves that you've done all of that exceptionally well.

Few people in business are capable of doing what you've done. It takes a special kind of person to see your vision for your organization when everyone else said it was impossible. It takes a particular type of person to get back up after getting knocked down as often as you have. It takes a special kind of person to master as many tasks as you have just to keep your organization afloat.

No matter how you slice it, if you've made it to Stage 4, you have earned a phenomenal degree of success.

Unfortunately, very little of that matters in Stage 4. In fact, the better you are at the earlier stages, the harder it will be for you to embrace this next phase in your journey.

Why?

Because to do so means to walk away from almost every skill you've gained to this point and replace them with a whole new skill set, a whole new set of tools you don't know how to use, with instructions written in a language you don't speak.

# In the game but off the field

This stage of the Founder's Evolution is like the star player and captain of the team stepping off the field to lead as a coach from the sideline.

And in the world of sports, it is rare to find an elite athlete who can successfully make the leap to become an elite coach.

Being an elite athlete is all about how fast you run, how high you jump, how quick you think, and how big you are. It's fast-paced and physical. It's very much about you, your gifts, and your abilities.

But when you become a coach, it doesn't matter how fast you run up and down the sidelines. It doesn't matter how high you jump when the ball is in the air. So many of those skills that made you a star are now categorically irrelevant.

When you're coaching from the sideline, it takes a whole new set of skills. Your game is mostly played between games. Once the game is underway, once the play has been called, all you can do is sit back and watch.

In sports, the goal is often to make enough money as a player to retire and make your money milking your stardom. Or maybe change careers. Or become a commentator.

As a founder, it doesn't really work that way. Not if you want it to keep growing. In Stage 4, you will discover that you can't sell your way to greater success for your organization; you can't consult your way, preach your way, design your way, or heal your way to greater success as an organization. In other words, you can't make your organization grow by pushing further and harder to get the ball across the line.

## Is this it?

And that leads to unenviable feelings of powerlessness. When you realize you don't have the strength, skill, quickness, or size to push things further, you're left wondering, is this it? Have I gone as far as I can go? Should I sell my business? Should I step down? Should I hire a real CEO?

Because the problems don't go away, they just change. They get bigger and more abstract. They last longer and grow more complex.

Exhausted from your "real work," you don't have the energy to even wrap your mind around what these problems are, let alone solve them. Even though you've always been drawn to the big picture, to what could and should be, at this stage, you probably haven't come up for air in a while. You've not taken the step back to see the patterns at play and truly understand the problems at hand.

Before we move forward, I have to answer the original question, "Is this it?" Absolutely not. If you have a greater vision for your organization than what you are currently experiencing, then you can get there. You just can't get there by doing what you've always done.

## Embracing Stage 4

Jim Collins brilliantly paints a picture of what is at stake for a Disillusioned Leader in his concept of 'Clock building, not time-telling.' You can read his take on the matter in chapter 2 of *Built to Last*. But here's a quick summary. There are two ways to lead. The first is time-telling. Imagine if you met someone who could tell the current time of day down to the millisecond simply by looking up at the sun. Wouldn't that be remarkable?

Yet, that skill would be limited to just that one person. She would have to be present for you to see or benefit from it. And when she died, all that skill would die with her.

Now, what if, instead of continuing to wow the world with her remarkable skills, one day, she stepped out of the spotlight and took the time to build a clock that could achieve the same result for anyone, both now and after she was gone?

That's the transformation founders experience in Stage 4. That's how enduring organizations are built. And although you don't have to sprint at all anymore, clock-building is very hard work.

# Essential strategies for Stage 4

So how do you do it? How do you win from the sidelines? How do you unlock this next stage of growth for you and your organization?

## 1. Up or out

Just as it was in Stage 3, the first thing you must do is decide whether you want to move forward. Because if you do, you have to step off the field. Tragically, what typically makes this stage even harder is that we try to do both. We run to the sidelines and "play coach" for just long enough to run back onto the field and make the play ourselves. This is the worst possible strategy. You need to decide where you are going to stand and stay there. If you've got more time on the field, pull back on the reins a little, get your organization to a more manageable size and operation, and enjoy the game. However, if you don't have the energy anymore, or you just realize you can accomplish far more without all the hustle, then it's time to lead from the sidelines.

## 2. Lead, not leave

Just because you aren't in the game doesn't mean you're not at the game. The biggest mistake I see Disillusioned Leaders make even after they've left the field is that they leave altogether. Absenteeism isn't leadership. Walking away isn't delegation. To succeed in Stage 4, you must be at the game, right there on the sidelines for every minute and every play. I see many leaders at this stage walk away with the keys. They leave someone in charge of the door. They give responsibility, but they don't give them authority. This is maddening for your team. They need you there. They need you to stand in that uncomfortable place in between. They need you calling plays, giving feedback between plays, and giving pep talks along the way. They need you strategizing, teaching, and pushing between games as well.

### 3. Focus on your leaders

Don't leave a leadership void on the field, and try to fill it from the sidelines. At this point, you need to promote or hire a strong captain to fill your shoes. And you need to give them the space and freedom to do their job. In other words, stay on the sidelines. But that is much harder to do when the sidelines aren't clearly marked as white stripes on green grass. In your organization, it is up to you to clearly define the sideline, stay on your side of the line, and permit them to call you out when you overstep your bounds (for more advice on healthy ground rules, check out the Five Rules from the book *Rocket Fuel*). Practically, this means putting leaders in charge of each of the most critical aspects of your business, whether it be sales, service, administration, creativity, pastoral care, or communication. Whatever your organization's three or four most important elements are, you need to put a leader other than you in charge.

### 4. Build systems

Do you sell better than anyone on your team? Then take the time to figure out what is different about how you sell and find a way to systematize it so that it can be repeated again and again. Do you have more knowledge in your sphere than anyone else? Commit yourself to teaching and training individuals who can go even further than you. The whole of this stage is building systems to reproduce what made you so effective. And then look out because an explosion of growth is sure to follow when you do this right.

### 5. Find a guide

Most visionary types are not inherently systems thinkers. Most do-ers aren't entirely content to sit by while they "lead through others." For this reason, I strongly recommend hiring a coach to help you get out of your own way and look for consultants and others who can help ease and streamline the process for you. Finding external help can be counterproductive at earlier stages, but don't let that trick you into thinking they aren't even helpful. You will find that the



transformation of Stage 4 will happen ten times faster with the right guide to show you the way than if you try to fumble through the dark on your own.

## The most impactful transformation

While this is undoubtedly the most challenging transition, the transformation it creates is by far the most impactful.

If you want to scale your organization, this is precisely how you need to do it.

If you want to build an organization that will last beyond your years, this is exactly how you need to do it.

If you want to go further, faster, and still have plenty of energy left over, this is precisely how you do it.

Everything up to this point rested squarely on your shoulders. And no matter how strong you are, there is only one of you. You were a great time-teller. Well done. And by being a great time-teller, you created the opportunity to become a clock builder.

## Transitioning out of Stage 4

By wrestling through the tensions of leading from the sidelines, you begin building three critical skills:

- Leading through others
- Building systems
- Seeing the big picture

And once you have achieved all three, you will be ready to take on a title you've been using already for quite a while: Chief Executive. And that is Stage 5 of your evolution as a Founder. It's also the first big step toward owning your organization instead of it owning you. And it's a significant upgrade because you get to get out of the rain and the weather and lead from the box seats. You get to get out of the play-by-play grind and start thinking about winning seasons and decades. And oh, how fun that is!

## Enjoy the gift of Stage 4

But before you get too excited and try to get rid of Stage 4 as quickly as you can, I want to encourage you to enjoy Stage 3 because you will never be this close to the game again. The closer you get to 10,000 feet, the further you get from ground level. So enjoy the energy of the game, the buzz on your team. Enjoy the loud salesrooms. Enjoy training your new employees. Enjoy giving high fives to your top producers. Enjoy seeing your new leaders crush their goals. And enjoy not having to run anymore. This is an in-between stage, but because it is in-between, it is the best of both worlds in many ways.



# The Chief Executive

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**The Most Remarkable  
Transformation Yet**

Stage Five



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This is the moment for which you've been waiting. Your journey from that Dissatisfied Employee in someone else's business years ago to the Chief Executive of your own company is now complete. While we still have a few stages before your evolution as a founder is complete, Stage 5 of the journey is one to savor.

Gone are the days of having to sweat it out on the field. Gone are those constant annoyances of wrangling a rag-tag band of doers. Gone are those feelings of inadequacy you faced as you learned to lead from the sideline for the first time.

In their place is the joy of leading a thriving enterprise through its most profitable and productive era ever. Instead of worrying about the next play, you get to spend the vast majority of the time planning for an incredible future.

It is Stage 5 that makes the entire journey so far worth it. When you can truly step into the role of Chief Executive (not just bear the title), you finally understand what it's like to run your own company.

This is the first time you've had the ability to truly run your company instead of it running you. Until now, it's like you've been fighting the waves in a small speed boat. You were moving fast but bouncing around a lot. Stepping into your role as Chief Executive is like stepping into the bridge of an aircraft carrier. Sure, the waves are there, but you hardly even notice them. You just see the horizon. You feel the weight, momentum, and power of your ship.

You used to be alone at the wheel, and now the atmosphere is buzzing with trusted lieutenants capably doing their jobs. Now you don't even have to touch the wheel. Your words carry weight and go far beyond what you could do or accomplish independently.

While you theoretically can let off the proverbial gas pedal at this stage, and many do, you are selling yourself and your organization short. The time will come to step back (in Stage 6). But there is a lot to accomplish and a lot of joy to be had by making the most of Stage 5.

Enjoying the game from the box seats

By this stage, you've successfully moved from trainee to star player to captain to coach. Yet, each of these positions bears one thing in common. They are all right there at the ground level for just about every practice and, indeed, every game. Come freezing rain or blistering heat, in each of those positions, you've got to be there grinding it out to win the game.

Not so in Stage 5. Of course, you're still at the game, but you enjoy the game from the box seats. You can go down to the field whenever you want to (more on this later), but you don't have to. No matter how hot or cold outside, it's always a lovely 70 degrees and dry inside, where the General Manager works her magic.

And let's not for a moment mistake this as going soft. Succeeding as a GM isn't sitting back and coasting into retirement. It's not on the field, it's not out there in the elements, but it's by no means passive. Not at all.

It's dynamic. Though it may not be as physically demanding, it holds a much more significant impact. And that's a good thing. Because, as a GM, you're no longer responsible for winning the next game or even the current season. You are responsible for creating a winning dynasty. You are orchestrating decades of success. You are building a winning team.

Your team needs you to take advantage of your perspective, your ability to see the whole field from above, your ability to monitor the teams around you, your ability to scout out and develop the next generation of talent, your ability to shape and cultivate the environment for success to flourish.

That's what a great GM does. They use their position's benefits to improve the team rather than make their own life easier.

## What can only I do?

If you were to hire any great business coach to help you make the most of Stage 5, the question they will ask you is: "What is it that only you can do?" Because leading away from the field is a strange thing to do. You are 100% unnecessary to win the game, maybe even to win the season. And that can leave you feeling put out to pasture.

But that's not the case. Instead, your irrelevance at the ground level is eclipsed by your essential role in building a better future for the organization. And you do that by only doing what you can do.

And this often takes some time to discover. Your first instinct will likely take you back to an early stage - throwing, catching, calling plays, etc. But the truth is far more important. And often more abstract. And to get there usually requires some soul searching.

For this reason, the true question that defines Stage 5 is "Who am I?" You cannot get a clear picture of what your organization needs from you, "what only you can do," until you are comfortable with who you are apart from what you do.

If you aren't the skills you developed, if you aren't any of those positions you've played so far, and if you aren't any of the goals you have for your organization, who are you? This is a hard question to answer on your own.

If you don't already have a business, professional, or life coach, now is the time to find one. It's also crucial to spend time with your spouse and children, your close friends and confidants, and all the people you trust from outside of your organization. Allow them to help you define who you are, apart from the organization.

Personally, I can't imagine a better source of identity than the God who created you. My faith in Jesus and his purpose in my life were irreplaceable in my own journey through Stage 5, and I have found the same to be true for the clients I've helped as well.

For founders, this is hard to do. It's not uncommon for founders to get stuck here. It's hard for them to separate themselves from the organization that feels like a child by this point. You've invested enough blood, sweat, and tears for this thing to have enough of your DNA to at least be related.

But that is what you need to do. To be separate from the organization while still leading it. And here's why. In this stage, you build the foundation for what will remain when you are gone.

# Essential strategies for Stage 5

So how do you do it? How do you secure lasting success for your organization that can endure long after you are gone? How do you succeed in Stage 5 of your Founder's Evolution?

## 1. Get clear on who you are and what only you can do

I've already hit this point, so I won't drag it out. But there is one thing I must clarify. The question is not "What can you do best?" That will lead you back to the field, undermine the leaders you've put in place, and ultimately drive the best leaders out of your organization. The question is, "What can only you do?" When you answer this question, you may realize you aren't good at things only you can do. Let me let you in on a little secret. No one is, at least not the first time they are there. Accept it as a challenge to grow instead of using it to disqualify yourself prematurely.

## 2. Make people decisions, not policy decisions

This crucial decision-making shift will set you up for exponentially greater success in the remaining stages. In Stage 5, you are finally learning what it means to lead through other people. And the best motto for staying focused is to make people decisions, not policy decisions. Your job is to hire the right people and stay out of their way. Then hold them accountable for their results. And the mechanism for accountability is very important. It isn't going in and changing their decisions. It is working with them directly and removing them quickly if things don't improve. It is your job to ensure the right people are in the right seats at the right time. Period.

### 3. Manage your team, lead your organization

Building off the previous point, you will find the General Manager title appropriate. You are not graduating from management to leadership, as many other charismatic visionaries claim. In fact, you have to be a better manager than ever. However, what is changing is who you are managing. That circle should be very small, typically no more than 3-5 direct reports. By focusing on managing this small group well, you will create an environment for greatness to thrive. And the icing you'll add to that cake is leading the entire organization. Walk the halls, head down to the field, celebrate the wins, and commiserate the losses. But when you do, don't flex your managerial muscles. Don't make any decisions with anyone but your direct reports. Lead with vision and paint an ever-clearer picture of the successful future you are building for the entire organization.

### 4. Hire the next CEO

Five years before he stepped down as CEO of GE, Jack Welch said his primary responsibility was finding and developing his successor. There is a nearly universal mistake that Founders make when selecting their successor. They pick a COO and then call them CEO. They choose someone who can guarantee the trains will run on time and the machine will continue moving forward. They pick someone whose perspective is, as Simon Sinek says, "Down and in." Instead, you need to find someone whose perspective is up and out. You need to find a visionary whose vision for the organization's future outstrips your own. This is very hard to do. It takes a lot of time. It is inherently riskier than the predictable COO type. But if you want to build a visionary organization that succeeds for years to come, you need to be the one to find the next visionary leader.

### Transitioning out of Stage 5

When you do these four things, you will find three things will happen. First, you will find more fulfillment in your work than you ever thought possible. Secondly, you will build a foundation for the organization to thrive on for years and



decades to come. And thirdly, you will find a leader who can take your organization even further than you. And that's when you will find yourself in the glorious place of Stage 6 of your Founder's Evolution: A True Owner. You can own your company and not run it. So not only is someone else running it, but you'll also have found someone who can lead it. And by choosing to do the hard work of Stage 5, you will set yourself up for the most rewarding and restful stage of all.

## Enjoy the gift of Stage 5

But before you get too eager to give up the reigns, throw in the towel, or just plain disappear from your organization, there is something special about Stage 5 that you won't want to miss.

You have the opportunity to be fully present at every game. You get to enjoy the air conditioning, the catering, and the cold beer. You get to enjoy being right there with the team whenever you want, without any obligation to make anything happen.

Stage 5 is where you have to use the slightest effort to exert the most control over your organization. And that is a great recipe for enjoying your time as Chief Executive.





# The True Owner

Experiencing The Joy Of Owning  
Your Business Without Running It

Stage Six



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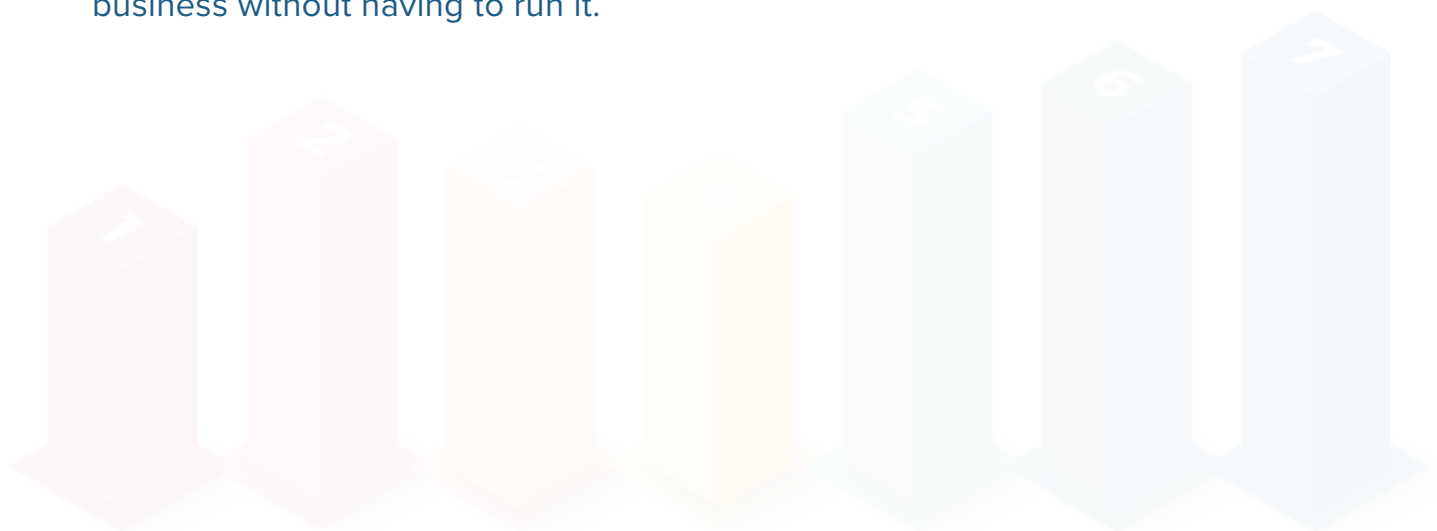
7

Most founders never make it this far. Some never leave the field in Stage 2 or 3. Some never lead the sidelines in Stage 4. And some never let go of the reins in Stage 5. In any case, they may own their organization legally, but if you look closely enough, you'll see that their organization owns them. It dictates how they structure their week, when they go on vacation, and who they speak with regularly. A business can be, and often is, a handsomely paying but cruel manager.

And that's not something most of us want to admit as founders. In fact, we started our own organization for the exact opposite reason. We started it for the freedom and autonomy we've always wanted. And sure, you may not have a boss. You may have even tasted that freedom from time to time, but it never lasts. Not until Stage 6.

Stage 6 of your Founder's Evolution is the first time you actually get what started this whole journey in Stage 1 and drove you to become a Dissatisfied Employee: freedom.

In Stage 6, you become a True Owner, and it is wonderful. The problem, however, is most founders never make it here, and those who do give so much by this point just want out. And by getting out early, they come up short of that freedom they wanted all along. Of course, they achieve a version of freedom by selling, but that freedom pales in comparison to the joy of owning a thriving business without having to run it.



## Owning the game

I grew up in the Pittsburgh area. I root for the Steelers. The Pirates are ok. But I love the Penguins. And that was a good time to be rooting for the Pens, who won back-to-back Stanley Cup championships led by their Captain, Mario Lemieux. I still remember I picked the number 66 for my little league jersey the year that he retired (the first time). Lemieux bought the team in an interesting turn of events and returned to the NHL as the first-ever Player-Owner. But from then until his final retirement in 2006, the team failed to ever make it to the championship game.

However, it was then that he finally got to taste being a true owner. He drafted the superstar Sidney Crosby, hired Ray Shero to Manage the team, and let them work their magic. Since stepping off the ice, Lemieux and his team have enjoyed three more championship victories.

Think about that for a second. Lemieux won more championships as an owner than as a player. And he didn't have to make a single shot, block a single shot, or serve even one minute in the penalty box.

That's what it's like to be a True Owner. You get to enjoy the game and achieve substantially greater success with only a fraction of the individual effort.

## What do I do now?

If you're not careful, it can feel like you're being left behind. When you stroll down to watch the team practice, some players don't even recognize you. Then, when you watch the star player score, and everyone cheers, if you're honest, there's a slight sting in your own heart.

And that sting becomes a reality in the question, "What do I do now?"

As the Chief Executive, you felt this same way, but there was an answer. Do what only you can do.

However, as a true owner, that doesn't work anymore. Because there is not much you can do that someone else isn't already doing and doing it better than you (at least now).

You can lose some of the joy of True Ownership in the sting of this question. And this is why it was so important back in Stage 5 to answer the question, "Who am I?" It is easier to do in Stage 5 because you have some responsibilities to keep you distracted and take the edge away.

But here in Stage 6, you realize there's only so much golf you can play, your kids (or grandkids) only want you around so much, and your spouse is on you to get a hobby and get out of the house.

And while all these realities are perfectly understandable, they only make the question scream even louder, "What do I do now?"

## Don't rush the process forward

I've tried not to talk too much about previous stages in each Stage, but here and now, it's crucial to revisit Stage 5. Many founders I speak to in Stage 5 are ready to get out. They can see the freedom of Stage 6. They feel the pain and discomfort of learning the new skills needed to succeed in Stage 5. They lament the good 'ole days of earlier stages. And they just want out. And so what do they do? They rush things along, find the first decent CEO to take the reins, flash a peace sign, and walk out the door.

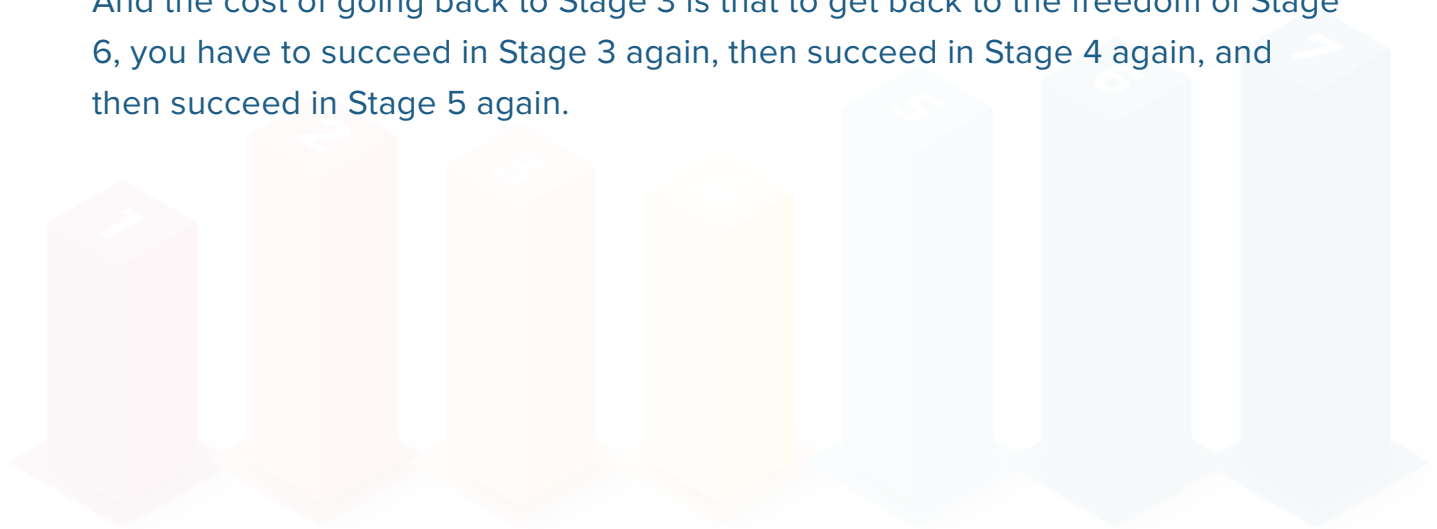
And that's a problem. They've walked away from something instead of stepping into something. You only want to step into Stage 6 when you no longer see it as an escape but as an opportunity to take on your next challenge or start a new journey. And so, before you ever find yourself in the position of asking, "What do I do now?" ask yourself the question, "What do I want to do next?"

## Resist the temptation to go backward

You'll remember from the previous Stage that hiring a new Chief Executive is the triggering event that transitions you from Chief Executive to True Owner. But hiring a new CEO the right way is a much bigger transition than most of us would expect—not so much for the title or the day-to-day, but the role of Visionary. No one else has ever had the primary vision for the organization other than you. Once you hand over that level of leadership, you will typically feel a void. What do you do with your new ideas, innovations, and inspiration? Quickly you'll feel like a sponge with more water than it knows what to do. There will be a backlog and buildup that of Visionary ideas will tempt you to wield your owner's card and take back control of the wheel. Don't do that. It will only hurt you and everyone else involved. If you're going to be the visionary, fine, but that means stepping back into the chief executive seat and not only having the vision but seeing it come to pass.

And that can be done. Steve Jobs did it with Apple. Michael Dell did it as well. It can work exceptionally well if you pair the role's rights with the role's responsibilities. If we're honest, most of the time, that's not what we want to do. We want to swoop and poop. We want to blow in with our brilliant idea and blow out. And when we aren't careful or honest about what we're doing, guess what happens? We unknowingly blow past Stage 5 and back to Stage 4 or even Stage 3. Interestingly enough, that's what Mario did in 2000.

And the cost of going back to Stage 3 is that to get back to the freedom of Stage 6, you have to succeed in Stage 3 again, then succeed in Stage 4 again, and then succeed in Stage 5 again.



# Essential strategies for Stage 6

And that brings us to the essential strategies for Stage 6. These three strategies will help you thoroughly answer the question, "What do I do now?" in a way that will fire you up and set an exciting new course for the days ahead.

## 1. Get inspired

An uninspired visionary is scary and usually a miserable person. The first thing you need to do is make sure you are inspired to do something meaningful and valuable. Sure, play more golf, go on more vacations, spend more time with the grandkids, but weave into all that activity something that truly inspires and drives you.

## 2. Build a sandbox (or two)

Now, you must be careful when inspired. In the past, when inspiration struck, what did you do? You ran into the office, eyes aglow, just looking for someone to share your new idea with and send them off to execute. You can't do that as an owner. So what do you do? You need to scratch that visionary itch, and the best way to do it is to build a sandbox (or two). Volunteer for a local nonprofit, sit on the board of a new startup, invest in a new business, or help scale an existing one. The common (and necessary) thread to all of these endeavors is that none of them touch your existing enterprise. You can even start a new business of your own. However, when you do, consider what stage you will do it from. Someone has to start the new organization back at Stage 1. That someone may be you. But more often than not, it isn't.

## 3. Empower visionaries

And that brings us to the last point. When you transitioned from Stage 5 to Stage 6, you learned what it takes to empower and lead a visionary leader. This is a rare skill to hold. And it's an exceptionally powerful skill you can use to scale your impact (and your income) in ways you could not previously imagine. If you



got to Stage 6 the right way, your greatest asset is not your money (though you have plenty of it); it is your ability to lead visionaries.

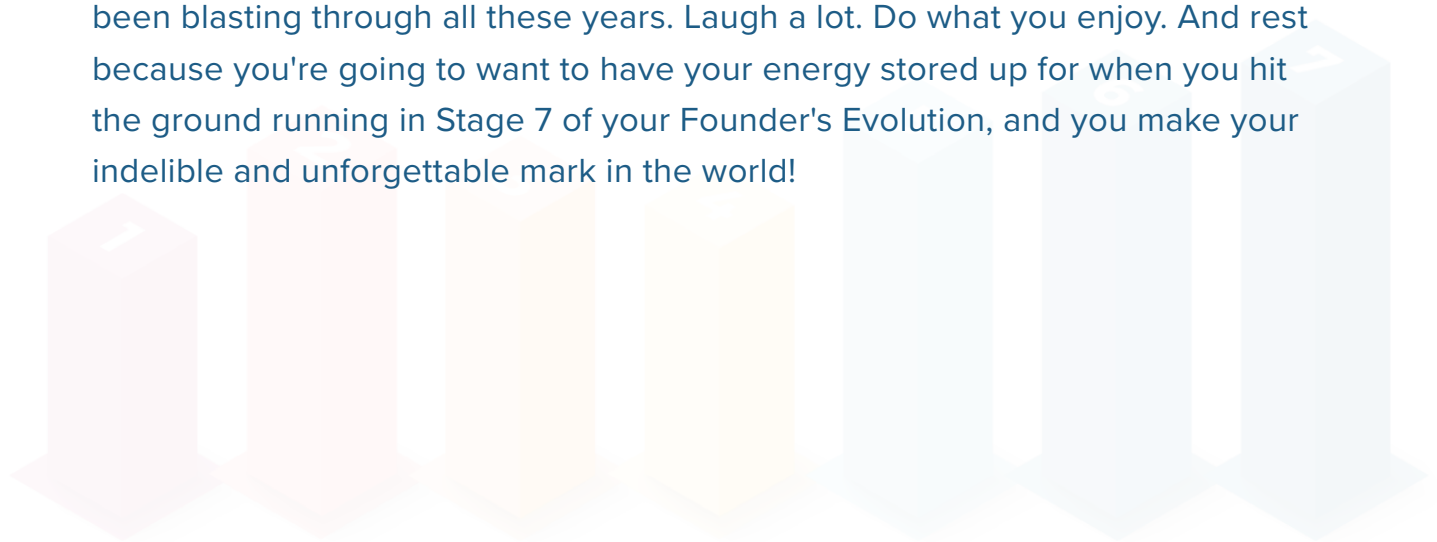
## Transitioning out of Stage 6

And it is that ability that separates True Owners from those who sell. Both have money and time, but only the True Owner has the skill and ability to expand their impact by leading, coaching, mentoring, and partnering with visionaries.

And that's what it takes to become a Visionary Founder, the Hall of Fame player in the business world. The accumulation of all the skills and abilities you've learned at all six stages so far has prepared you for the most rewarding season of all as you step into the role of the guide who has been down this same road before and can help new founders travel the road more quickly and painlessly than you. That is a truly remarkable thing to do, and only truly remarkable people get the opportunity to do it!

## Enjoy the gift of Stage 6

But once again, before you get too excited about the next stage, the next thing, and the next challenge, take some time to enjoy where you are right now. Take more time as you do the simple things in life. Walk slowly and pay attention to the birds' songs, the sun's warmth, and the gentleness of the breeze. Eat slowly and take in the textures and flavors and the companionship of friends you've been blasting through all these years. Laugh a lot. Do what you enjoy. And rest because you're going to want to have your energy stored up for when you hit the ground running in Stage 7 of your Founder's Evolution, and you make your indelible and unforgettable mark in the world!





# The Visionary Founder

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**Leaving A Legacy That Lasts Beyond Your Days**

Stage Seven



1

2

3

4

5

6

7

Welcome to Stage 7 of your Founder's Evolution. If you've made it this far, you are truly amongst elite company. While every founder begins with the goal of Stage 7 in the twinkle of their eye, few make it this far. Some are content and make the courageous choice to intentionally stay in an earlier stage. But most never make it this far for one simple reason. They simply don't know the way.

And who can blame them?

Ask a Visionary Founder how they got there, and you'll get a cookie-cutter answer they've developed to look good and stop you from asking more questions. Because they've realized most people don't want the truth, they want a shortcut.

But if you get behind the clever clichés and tweet-worthy truisms, if you can show them you mean it, and you can get them to stop and recount the actual steps they took to get to where they are today, you'll find it is anything but the straight line up and to the right that we all hope for and expect.

It's a winding road of brilliant victories, hard-fought battles, and painful experiences, each of which had a crucial role in forming them into the Visionary Founder we all admire.

## How Visionary Founders are made

By this point, you are well aware that you don't get here by chance. Visionary Founders aren't born. They are made. You don't begin day one as a Visionary Founder.

Instead, you start as the Dissatisfied Employee who doesn't know half as much as you think you do but did get it right in one place: There is a better way.

And by studying the game and learning what it takes to win, you earn the right to play the game as you become the Star Player, the Startup Entrepreneur. And with that stardom, you find leadership thrust upon you.

And eventually, one day, you look up, and everyone around you is waiting for you to make the decision and tell them what to do. So reluctantly, you begin to manage your young upstart team.

And it works, but it never quite feels like the glove fits. And as the team grows and your ability to single-handedly save the day fades away, you find yourself at the uncomfortable crossroads of the Disillusioned Leader. You are faced with a challenge or set of challenges too significant for you to overcome alone. Your team can do it, but that requires a whole new kind of leadership from you: leading from the sidelines.

This is where most founders fail to make the leap. But if you do, if you hone the skills of winning through others, you will find yourself in a whole new arena no longer limited by sidelines or even scoreboard, and you'll step into the role of Chief Executive and set your sights on a successful future.

And once you build the foundations needed to ensure lasting and Predictable Success, you create the opportunity to grab hold of the one thing you've wanted all along freedom. And in doing so, you become a True Owner and set the stage for one final and remarkable transformation.

## From True Owner to Visionary Founder

At this stage, a growing challenge that you may not have named yet comes to center stage. Of course, it's been there for quite some time. Lurking in the shadows causing you to question what used to be an easy decision to step, no run, forward. But what is it?

This challenge is quite simple to understand once you shine a light on it, and it is this: you now have something to lose, which means you have to work to protect it.

When you're a young upstart full of piss and vinegar, your organization may be fighting for survival, but you approach it like you have nothing to lose. You take risks, you make big bets, and you go all in all the time. But what happens once you win? Each successive win brings more people, products, and profits to

protect. You have to keep the current thing going while trying to create the next thing.

And the ratio of old (protect) to new (create) switches one day, and you increasingly find yourself, the great visionary risk-taker, opting for the safer bet, taking the slower strategy, and walking the more predictable path. Some of this is wisdom in two ways. First, you should never have taken some risks, and you know how that feels. Second, some risks that were necessary early on simply aren't necessary any longer. And that is a good thing.

But what happens if we are not careful? We go too far. This challenge comes to center stage as you transition to Stage 7 of your Founder's Evolution and begin to ask yourself, "What do I want to leave behind?"

## What do I want to leave behind?

While we all face this question at some point in our lives, I believe it is more central and of more practical significance for founders. The answer to that question is often embodied in the organization(s) we've started.

First, will you continue to let the new Chief Executive's vision depart from your own? No two people will ever share identical visions. One degree of difference at the start is barely noticeable, but given enough time, that gap becomes a gaping hole. So no matter how much your CEO and you shared one vision, ultimately, her vision will depart from yours, and it should.

Secondly, how much are you willing to risk in the next endeavor? Let's face it. You have all the freedom you want. You have all the money you need. The list of essential reasons to change is small if it exists at all.

Third, at some point (maybe not the first time, but at some point), you will not want to step back into the game at Stage 1 all over again. And that means to stay in the game and expand your impact, you need to start succeeding through other founders, each with a vision of their own, each with the ability to fail spectacularly.

Together, these realities make stepping into Stage 7 quite challenging, even for the few elite individuals who have made it this far. However, Stage 7 is so rare that those who make it can make an even bigger mark than if it was easy.

So, what do you want to leave behind? Is it your own story, as it's been written already, or is there one final chapter?

## The Hall of Famer

Being a Visionary Founder is like being inducted into the Hall of Fame of the business world. It is about being known and recognized for a lifetime of achievement, not only in what you accomplished yourself but in how you changed the game and paved the way for future generations to accomplish far more than you ever imagined.

Very few have ever made it to the Hall of Fame before their career as a player is up. It's recognized when your time in the spotlight has come and gone. I believe this is even more true in the business world. Visionary Founders are rarely fully recognized in their lifetime. Their brilliance usually takes time for the rest of us to truly comprehend.

So, as you step into Stage 7, your goal is to no longer focus on what you can accomplish in your lifetime but on what you can help others accomplish in their lifetimes.



# Essential strategies for Stage 7

So how do you do it? How do you make the most of Stage 7 and do what can only be done once you reach Stage 7?

## 1. Help other visionary leaders build visionary organizations

Using the skills and experiences you've gained over all these years, set out on a new journey to build visionary organizations, not by yourself but through others, and help them along their journey to becoming Visionary Founders themselves. Be careful to meet them where they currently are. You have learned some painful lessons along the way, but that doesn't mean it is time for them to face those same challenges. Make sure you understand what stage they are in and give them the advice they need for their current stage. That usually means stopping and reflecting on your own journey. What worked? When did it work? Remember, wisdom is about not taking unnecessary risks, but the definition of unnecessary changes quite dramatically from one stage to the next. Don't make cookie cutters of you, but help them fully develop their own visions and learn from your experiences.

## 2. Plant trees

An old Greek proverb provides the perfect advice for Stage 7 Founders. "A society grows great when old men plant trees in whose shade they shall never sit." Until now, most of what you have done has been about building your thing. You may have been kind, charitable, and compassionate along the way, but at the end of the day, you poured your blood, sweat, and tears into your organization. Now it's time to plant trees for someone else. Not necessarily everyone else. Plant the trees, and put up the signposts you wanted and needed as you traveled from stage to stage in your own Founder's Evolution. Imagine what you could have accomplished if your road had been well-paved. Imagine the progress those coming up behind can enjoy if you go back and help pave the road ahead of them.



### 3. Build a legacy

This doesn't mean building libraries with your name on them. That's all fine, but the greatest legacy you can leave behind is what you leave to those who knew you best. Maya Angelou says, "People will forget what you said, people will forget what you did, but people will never forget how you made them feel." Take the time to use your position of prominence and strength to make others feel great. Give them a hand up. Give them a high five. Give them more time than they deserve. Tell them it's going to be ok. This may not lead you to greater fortune or fame. But this entire journey will teach you one thing. It's not about you. It never was. And when you embrace others' success, at the end of the day, you will discover that that is the most meaningful thing you can do with your life.



# Conclusion

And that concludes your evolution as a founder and this book. I hope you were both challenged and comforted along the way because what I've found in my journey and in the time of being allowed to help others along theirs is that when you do it right, it is every bit as challenging as when you do it wrong. BUT it is exponentially more rewarding.

It can be easy to settle. It can be easy to blunder and bounce around in any of these stages. But when you do, you severely limit your ability to progress and, even more importantly, your ability to help others grow through their own journey.

I want to end with this. Take a moment now to identify what stage you are in, and then carefully consider the strategies I've given for that stage. How much time are you devoting to those strategies? How much time are you wasting on the past strategies, hoping that if you double down, you will power through?

If you are willing to do the hard work required of your current stage, you will spare yourself a ton of heartache and headache, and you'll put yourself on the path to becoming a Visionary Founder!



# Finding a Guide

If, as you've read through these stages, contemplated your own journey, and considered the strategies for success, you've thought:

- How do I do that?
- I wish I had a guide who could help show me the way.
- I want to walk this journey. I want to evolve as a Founder. But I don't want to do it alone.

Or if you've wrestled with any of the core questions:

- Isn't there a better way?
- What was I thinking?
- What's wrong with these people?
- Is this it?
- Who am I?
- Now what do I do?
- What do I want to leave behind?

SCAN ME



Or if you've found yourself stuck in a stage and longing to break free, move forward, and achieve the next level of leadership

Then, I would recommend you check out our directory of Scale Architects. I have personally trained, mentored, and equipped this incredible group of coaches, consultants, and confidants to help founders like you scale your organization and your leadership with it.

Visit <https://www.scalearchitects.com/directory> to find a guide who can help you stop struggling and striving and start succeeding as you speed up your evolution as a founder!