

Private Director's Association: Detroit-Windsor-Toledo

Letting Go to Drive Future Performance – September 12, 2018

Sponsors *Merrill Lynch, Butzel Long, Plant Moran, Clayton McKervey, Jaffe Counsel*

Convenors *Mod: Elizabeth Wiggins; PDA Program Chair: Jay Taylor*

Location *The Skyline Club*

Panellists

Mark S. Schostek: Executive Chairman TEAM Schostak Family Restaurants

Jeff Parsigian: Managing Partner Timber Ridge Homes

Bill Hermann: Retired Partner Plante Moran

Four Career Stages

1. Newbie; dependent on others
2. Individual Contributor; Capable of functioning independently
3. Contributing through others; interdependent on a number of other contributors
4. Leading through vision; contributing through others exponentially

Career Stage Four: The Visionary

Spend time on the business instead of in the business

Identifying the right person for succession

The CEO must understand her own talents and weaknesses and the needs of the company going forward

Understand that succession is a process, not an event- Need to get input of team members, define needs, assess existing talents, and identify gaps to train/fill

Note that the best person in stage 2 may not be the best person to move to stage 3; good operators/sales people may not make the best managers

Consider that you do not promote people; the employees do; leaders can't lead if no one is willing to follow them

Common mistakes in the Visionary Role

- Spending time in the business instead of on the business
- Insufficient delegation
- Focus on short term fires rather than long-term strategies
- Lack of sufficient planning time for succession (years not months)
- Not spending time with people; talking more than listening
- Over commitment

Look for opportunities to give people responsibilities;

Expect mistakes; don't accept mistake repetition

Successful Visionary

- Self awareness
- Looks for opportunities to give people responsibilities; expect mistakes- don't accept mistake repetition. Adopt Experiential learning
- Plans well in advance to extend the life of the business
- Willing to let go but holds onto accountability, watches financials, sets and evaluates performance metrics
- Attention paid to culture; do employees have a sense of purpose? Are the right people moved into management? Are doers rewarded?