

Hi everyone, this is Wayne Rivers at FBI, and *We Build Better Contractors*. Our next Boot Camp, November 3 and 4, in Dallas, Texas, click on the link below and ask Joe for the information and she'll get it to you asap.

This week I want to talk about the two most costly mistakes that CEOs make. This was inspired by an article, in Entrepreneur magazine in February of this year by a European company, they did a survey in January '22, and they found out from CEOs what historically have been the mistakes that have cost them the most in time and money. Now, what about this is important to you? Well, golly, none of us wants to make mistakes and do foolish things that set our companies and our initiatives back. So where are the landmines? What do we need to be avoiding?

The first thing is setting too many strategic priorities. Ambition and drive are great. Every contractor that's successful has to have ambition and drive, but there's a downside. Whether you call them goals, initiatives, big rocks, BHAGs, Big Hairy Audacious Goals from Jim Collins terminology, whatever you call them. So, believe it or not, in today's world, even though people like me, harangue you all the time about not doing this. So many CEOs have way too many balls in the air in terms of goals for their company. So, 8% in this survey, 8% of CEOs had, get this, 11 to 20 goals for their company, and only 5% outperform the average, as you can imagine. 34% had five to 10 goals and 58% said they had one to four goals.

That's where you need to be. You need to be in the one to two, people just can't keep too many things uppermost in their minds at any one time. They said in the article that an inverse relationship between the number of goals the org has, and the number of goals they achieve, is a fact. Fewer is better. So, if you want your organization, you want your people focused, focus them on one, maybe two things. 10, 15, 8, all too many, all too many. Now, after you achieve the one or the two, you can move on and maybe work through a list of eight over the course of a year or two years, of course, but any one time, you need to be focusing on one thing.

The second mistake the CEOs make is they fail to drive change. Every organization needs to change. Every organization must reinvent periodically. 37% of the CEOs in this survey said driving change throughout the organization is the hardest thing that they do. 24% said it takes too long. And it does, because it's never finished. It takes your whole working lifetime to drive the changes that you need. 70% of CEOs said that they have a hard time reaching through the management layer to get to all the people in the organization. And I can see that. They also lack transparency, 20% in the survey stated that their goals only involve the senior management team. So, no wonder 70% struggle to drive it down to every person in the organization, because most of them don't even try. They just stay up here in the top of the organization, and they try to drive change from the top down. And I think that's backwards. I think it's easiest to drive change from the bottom up. And to get change from the bottom up you've got to start at the bottom of the organization. You've got to start with the real people, doing the real work and find out what they're thinking.

What's on their minds. What's in their hearts. I mean, they know, they're creative, they're smart, especially taking in the aggregate. Holy moly. You've got so much talent and experience and ideas in your organization. Why not let it bubble up? If it's their ideas, Dale Carnegie taught us, it's going to be much easier for them to buy into the idea. So let those ideas bubble up from the bottom of the organization, rather than trying to cram change down from the top, let it come from the bottom. It's so much easier.

The biggest constraint in driving change is the leader's time. So, I remember something I read ages ago that to really drive a strategic initiative in your organization, one of the senior leaders, at least one of the senior leaders has to devote 50% of his or her time driving that change. If you can do that, if you can designate, delegate, identify the right person to be your champion, and it's got to be a senior leader, you can make it work. If you're not willing to spend a great proportion of your executive time driving the changes you purport to care so much about, it's not going to happen.

So, the two most costly mistakes, too many strategic initiatives and failing to drive change. I'd like to hear your successes and maybe your failures, on how you've driven change in your organization. This is Wayne Rivers at FBI. *We build better contractors.*