

Hi, this is Wayne Rivers at FBI where *We Build Better Contractors*.

This week I want to talk about what do you need from your COO? What? Wait a minute, you don't have a COO? Doesn't matter what you call him or her, general manager, senior vice president, maybe a president if you're the CEO, second in charge, whatever nomenclature you put.

But we talked a few weeks ago how to be a better president. Hey, I have terrific senior support. I mean, that to me is a key. So now we're going to talk about, okay, what do you need from your COO? What's the definition actually? And that role, the second in charge role has kind of been ignored by researchers. There's a lot of stuff about what the successful CEOs do right or what they do wrong. There's not much research or literature on COOs.

So, now what about this is important to you? Well, I mean, you want to run your company in a terrific way. You want to be efficient; you want to be profitable; you want to have a great culture. You want all those things. One way to do that and also have a good life, a balanced life, is to have terrific senior support. Have a terrific CFO, a terrific COO, all these senior leaders that are thinkers, big thinkers like you, make your life so much better.

So, this kind of comes from a Harvard Business Review article that goes back a number of years, but there's no way to define a COO because what a COO does is defined in relation to what the CEO does. So there's seven different kinds of COOs. I mean, I'm kind of rounding this up a little bit. Seven different kinds of COOs.

The first one is the executor. Day-to-day operations, getting things done. CEO sets the strategy; the COO is responsible for executing at least certain parts of it.

The second type is a change agent. So that would be a COO that's empowered to lead a certain particular change initiative in the organization. That's more or less his or her project. Could be an expansion, could be a new office, could be a turnaround. Lots of different things.

The third thing, a mentor, a really experienced COO mentoring, a less experienced CEO, perhaps.

The fourth thing, yin and yang, different complimentary skills. CEO has one set of skills, COO has a different set, but they're complimentary with each other. So that's kind of what we have here at FBI, why it works so well.

The fifth type is the partner, collaborator, co-leader of the organization, or could be an MVP type, an employee that is just too valuable for you to use lose, and he or she becomes your COO.

And the sixth type is the heir apparent. That would be the opposite of number three, the mentor. This is the person that's sort of designated to be taking over for the CEO at some point in the future. So having that person in that COO role allows for testing and grooming and evaluating before that person steps up to the CEO role.

Hiring COO, in our case, John Mayes one of the best, among the best business decisions I ever made. I really can't imagine how you folks run your construction companies as well as you do without having that senior partner that can go along with you and help you make all those challenging decisions and challenging priorities and direction and everything else. I think it's almost a necessity over the long run, especially if you want to have a well-balanced life.

A few things that a COO in any of those seven roles must have is a shared vision with the CEO. There's got to be mutual respect. Both have to have manageable egos, and both have to be willing to challenge the other. And if you have those four things, then your COO can fit into any one of those seven roles and do a very capable job, indeed.

So, let's hear what you think. Share us in the comments. This is Wayne Rivers at FBI, where *We Build Better Contractors*.