

Problems that New CEOs Face
*Advice on how to handle business and
personal issues*
**What do You do, and Who are
These People Working Here?**



What do You do?

You are the CEO of your company – so, what do you do versus what do your employees do? I have seen companies whose executive management is still billing directly to contracts. They have a percent of their time dedicated to direct billable work, and the remaining part of their time (usually nights and weekends) allocated to new business, strategic planning and other important items for the company. This is fine, as long as you recognize that the more contract work you do as the CEO, the less time you will have to dedicate to increasing business.

Almost all companies start with the founder(s) doing contract labor, but as the business grows, it is imperative to “replace” yourself on the contract with new employee(s) to free up time to focus on the strategic direction of the company. Your business may grow nicely for awhile if you do both contract and indirect work, but don’t expect your company to grow much beyond any “organic” growth rate. You must dedicate the resources (time) in order to grow at a greater rate.

Recommendation: Replace yourself on direct billable contracts as soon as possible to free up your time to focus on the strategic thinking/actions to accelerate the growth of your company.

Who are These People that Work for my Company?

How excited you were when you hired your first employee. That is also the time that your life got complicated. Having employees allows you to buy group insurance for everyone, start the company 401(k) plan, employee appreciation lunches and all those other things that show your employees how much you appreciate them. Or, do you worry about when the troops are going to mutiny and take over sailing your ship?

Do your employees work on the Fun Cruise Line - Good Ship Lollipop, or the Pirate Ship - Jolly Roger?

Employee satisfaction must be addressed continually. This doesn’t mean the CEO has to plan all events, but the CEO should be a critical part of each employee appreciation event to show how important the employees are to management and the company.

I know one CEO who started a company by taking the contract and the employees from their soon-to-be former employer’s customer. Yet, the first policy this CEO put in place at the new business was a signed employee agreement that would not allow any employee to take their contract away and develop a competing business. Do as I say and not as I do? – Not a good employee morale builder. So, future entrepreneurs at this company would quit first, wait a reasonable amount of time, and then start their own competing

businesses with customers who were willing to support the new ventures. Employee satisfaction is not good in an environment of distrust and restriction.

Companies will grow to the point where the CEO doesn't recognize new hires. However, I do know of several companies (who employ close to 1,000), and the President or CEO will have a courtesy interview with each new potential employee. This is extremely dedicated and time consuming, but it shows how much top management cares about each employee. You may not have the time to interview every job candidate, but you do have the time to show every employee how much you appreciate them. Take the time to develop, or have your employees develop, a persistent employee appreciation program.

I have seen companies develop community appreciation programs where employees contribute time and money to worthy causes voted on by the employees – not the CEO, or other management team members. These are the employees' ideas and allow them to share their company's appreciation for the community. This demonstrates a company with heart – and employees like working for companies that show they care.

Recommendation: Develop an enduring appreciation program. If you can't think of one, ask your employees.

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