

CEO TO CEO

Assisting business leaders as they navigate critical passages

September 17, 2009



I had to close registrations for the upcoming Alliance CEO Round Table titled “Executing for the Upturn” because I ran out of seats. 78 CEOs who all chose to take time out of their busy schedule to discuss guiding their businesses through the upturn. That’s a good sign for all of us. Now I’m *not* saying the good times are here yet, but it is clear that CEOs are preparing to march forward and are thinking about which direction to march. **I will agree that it is time to march!** Everyone is itching for it, and those who prepare well and get the jump will prevail. A year ago it was time to defend, to avoid falling into an economic abyss of unknown depth. Many dug in to hold positions that were safe. But that’s not now. Of course, your team has to have the energy to march, and team fatigue may be setting in. So read this month’s column below. —Rob

The INSOMNIA Factor

What keeps CEOs **AWAKE AT NIGHT**
—and what to do about it.

Team Fatigue

By Robert Sher

On a lovely beach vacation last month (Dillon Beach, CA) I chose to distract myself by re-reading Lord of the Rings, by J.R.R. Tolkien. Some distraction was gained, but still, it made me reflect on what I see many companies going through: A long, hard journey to achieve goals, much longer and harder than it was supposed to be.

In the trilogy (I read just one book, and watched the movies of the other two), Frodo and his team (the Fellowship of the Ring) set off to destroy an evil ring, lest it fall into the hands of a supremely evil wizard who would dominate the world. While stopping evil incarnate is a more compelling call to action than turning a profit, the techniques the Fellowship used to keep their spirits up and to keep driving forward (despite terrible odds) are useful for CEOs as well.

(Continued on page 2)

Referral Hall of Fame

Thank you to those that have referred me to a chief executive or a speaking opportunity! *Referrals are how I grow my practice.*

- ◆ **Rose Combs**, with [TriNet](#) referred me to a retreat facilitation opportunity.
- ◆ **Ron Storn**, CEO, [Targus](#), referred me to a manufacturing CEO, and also to another prospective client.
- ◆ **Rajesh Setty**, [entrepreneur](#), referred me to a speaking opportunity.
- ◆ **Scott Smith**, with [Hanson Bridgett](#) referred me to a manufacturing CEO.
- ◆ **Andrew Krone**, VP Sales, [Marble Bridge](#), referred me to a speaking opportunity.
- ◆ **Chris Province**, partner at [Armanino McKenna](#), referred me to a speaking opportunity.
- ◆ **Joe Hackman**, IT Consultant with [Managed Solutions](#) introduced me to a CEO, and to a speaking opportunity.
- ◆ **Del Chandler**, EVP [Leadership Dynamics](#) referred me to a speaking opportunity.
- ◆ **Greg Weiss**, [SVP Wells Fargo Private Bank](#), introduced me to a mfg. CEO.
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This essay is focused on caring for your team. It speaks to keeping them at maximum performance. Of course, in order to care for your team, you need to care for yourself, and have the energy, positive attitude and courage to charge forward. I wrote about CEO self-care in the [January 2009 edition](#) of The Insomnia Factor.

In The Lord of the Rings, fear, hopelessness, and desperation all wear on the team. Each passing day they feel their soul being stretched, their energy depleted, their progress slowed. A positive outcome is not certain. No-one can guarantee anything to the team, since the future is so uncertain. There is dis-sension about the choices they should make to move ahead. Fatigue is taking hold. Sound familiar?

Team fatigue doesn't just happen in economic downturns. Many businesses face this even in good times. When objectives are missed and the going becomes tough and slow, fatigue begins to take its toll. How do we get a team to charge ahead when they feel ineffective, afraid, and when external events may destroy even the best of their efforts? This challenge has kept many of us CEOs awake for hours at night. A few of the best techniques:

1. Set achievable shorter-term goals by department. It may be true that what you really need is 20% more cash collections in the upcoming quarter. But perhaps a key element of that is finishing the new product development by September 30th. Play up that goal for the product development team. Focus their thoughts and efforts on just

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[Robbins](#) introduced me to a key connection that immediately produced value.

- ◆ [Christina Bui](#), Asst Managing Director, [Tatum LLC](#), referred me to a prospective client.
- ◆ [Tom Dashiell](#) referred me to a speaking opportunity.
- ◆ [Jackie Williams](#), Director of Recruiting and Outreach for [St. Mary's Graduate Business](#) referred me to a speaking opportunity.

Presentations (I'm always interested in speaking opportunities)

- ◆ **Sept 16th 5:45 pm in San Francisco.** I'm a panelist, [Starting and Growing your Own Consulting Business](#). Open to all.
- ◆ **Sept 17th 7:30 am in Santa Clara:** Moderating an Expense Reduction Analysts panel on **Financial Execution for the Upturn**. Interested CFOs and CEOs should [register](#).
- ◆ **Sept 17th 11:30 am in San Francisco:** Moderating an [Association for Corporate Growth SF](#) panel on **The Battle For Enterprise Value**. Interested senior executives should e-mail me.
- ◆ **Sept 22nd:** I'm organizing a chief executive round table event in San Francisco for the Alliance of Chief Executives focused on **Executing for the Upturn**. THIS EVENT IS NOW FULL, REGISTRATION IS CLOSED.
- ◆ **October 2, Las Vegas:** Discussing business development/networking at Expense Reduction Analysts national annual meeting.
- ◆ **October 6th, San Francisco:** Lunch speaker for client function: Strategic Networking.
- ◆ **October 21 5:30 pm in Cupertino.** Speech about Buying and Selling Businesses (related to my book, the Feel of the Deal) at Silicon Valley Business Meetup. Open to all. [Register here](#).

that. It is winnable. It is in their control. De-emphasize the cash target for them.

2. Celebrate when those short-term goals are achieved. As the top

(Continued on page 3)

leader, it's important to keep your eyes on winning the war, not just a battle. But your troops need to feel good about the work they just accomplished. Stop and bask in their win, for their sake.

3. Let them take a break after a win, to recharge. Yes, its lost time, and I know you need them for the next battle, but you need them energized. People get tired if they grind away non-stop. They burn out. A short rest for high-value team members will result in top performance in the next arduous campaign.
4. Assuage personal fears about losing their job. People who feel like they may be the next one fired can't keep their hearts loyal and their concentration on the job. They have insomnia from the worry. Their spouses bring up concerns too often. They read about the horrible economy in the media, and hear about it from their recently laid off friends. They spend energy searching for signs of their impending fate. Address their fears and tell them how important they are, and how far they are from losing their jobs. I don't recommend lying about it, however. Keep your top performers updated about the company, and your plans to keep them gainfully employed.
5. Convey confidence as you interact with your team. When you're mood is not confident, hide from your people. Nothing will create fear in your team more readily than seeing fear or panic in your eyes. You should already have mentors or peers that you can confide in, and who will help stabilize your attitude when you're down. But those confidants are not your subordinates and they're typically not your board (because they might fire you). But the confidence I'm talking about is not a Pollyanna view that everything will be fine no matter what. Its confidence in the course you're setting, and your belief in yourself and your team to urgently execute on that plan.
6. Changing the team can re-energize. Sometimes beating your head against the same wall can get tiresome. Consider job rotation for great team members that are burning out, hammering away at what might seem to them to be an immovable obstacle. Also consider hiring in new talent to replace team members that just need a change of "scenery" to a new employer. In the days of the Pony Express, the rider would change horses regularly to keep the mail moving fast.

Most CEOs I know have an amazing ability to sense their own motivation level and to adjust how they work and what they must do to stay charged up. But I don't think that's as true as we descend down the organizational chart. Be mindful of how your team's energy is, and if the signs of fatigue are showing through. Helping them charge back up will more than repay the time and effort you contribute to the cause. After all, you're only as good as your people.

Are You Making Anything?

No, I don't mean money. I'm looking for mid-sized manufacturers in Northern California, who are making things. If you know any such companies, please nominate them by emailing me. Here's the opportunity:

[The Alliance of Chief Executives](#) is putting together a private group of manufacturing company chief executives who will meet quarterly to gain fresh strategic insights and ideas by engaging in confidential strategic discussions. The group will be directed by me, ([Robert Sher](#)). All industries are included, provided that they manufacture physical goods. An example of one of our members that will be in this new group is [Applied Aerospace Structures Corp.](#)

*Robert Sher is principal of [CEO to CEO](#), specializing in assisting CEOs and business leaders as they navigate critical passages. He is the author of *The Feel of the Deal; How I Built a Business through Acquisitions*. He may be reached at Robert@ceotoceo.biz.*

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