CVO vs CEO: The Importance of Vision

Formulate, Maintain and Adapt a Clear Company Vision

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I am often complimented on the success of our business, the creativity of the premise and the length of time we have been in business. I also often hear the likes of "I wish I would have thought of that," which often makes me think of why a successful company, service, product, or brand goes out of business after five, 10, 20 or 30 years. What is the difference between success and failure? If five different people or companies are doing the same thing, why does one rise to the top?

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There are myriad reasons, but if we looked back at the life cycle of a failed company, we would find unmistakable clues as to why it didn't succeed. While most companies go through the same initial stages, those that grow complacent and neglectful usually fail. Each of the phases in a company's development is marked by specific characteristics:

- **Start-up phase:** Energy, passion, creativity, innovation and drive.
- **Survival phase:** Patience, determination, hands-on approach and marginal gains.
- **Ramp-up phase:** Rapid growth, scaling of the business' infrastructure, reinvestment, expansion, sales and margin management.
- **Complacency phase:** Satisfaction, validation, stabilization and the acceptance of mediocrity.
- **Neglect phase:** The opposite of the start-up phase, the tedium of the day-to-day operations and boredom.
- **Extinction phase:** No explanation necessary.

What makes a business fall into the last two phases if it had been doing so well until then? Well, when a business fails, it's usually due to the lack of leadership. What it really dies of is loss of VISION. The thing is that we all start out as CVOs (chief visionary officers), but some then turn into visionless CEOs and let their company decline until they end up as COWs (chiefs out-of-work). What they are probably missing is that although the role of a CEO ebbs and flows with the needs of the business, their core responsibility is setting the course for the FUTURE.

So, what are the qualities of a CVO?

- **Self-awareness**: You need to know yourself; know your strengths, but better yet, know your weaknesses.
- **Organizational awareness**: You need to build your organization around you. It should offset your weaknesses and fully leverage your strengths. You should build a system that will allow you to monitor the organizational performance, but more importantly, give you the time to plan for the future.
- **Team awareness**: Rather than doing everything by yourself, delegate and nurture the same level of creativity you retain in those around you. Encourage collaboration and creativity as part of the company culture.
- **Financial awareness**: Acknowledge the importance of your business' financial performance, but gauge that performance not only on margin and profitability but on financial sustainability.
- **Disruption**: Keep asking the questions why, why not and how, and encourage your team to challenge you and tell you what is not working.

Your self-awareness journey as a CVO is particularly important because effective leadership and organizational success is impossible without it. So, start there. What are you truly good at? What do you absolutely hate to do? What are you comfortable with? What are you uncomfortable with? These are simple questions with simple answers, but answering them honestly will set you on a course that suits you and will therefore suit your business. As a balance to your self-assessment, pick four people that you trust and ask them four total questions:

- What am I good at? What are the top 5 things?
- What am I not good at? What are the top 5 things?

In corporate vernacular it would be considered a nominal 360 Assessment, but it is an important one to apply, considering that your basic personality was formulated by the age of about two. You may have learned to manage certain aspects of it over time, but that does not change your tendencies, especially when you are under pressure. If you are a controlling person, you will revert to that behavior when pressured. You will assume things are not happening fast enough, or the team is not responsive enough, and reinsert yourself. This will only undermine your team, their confidence, their commitment and your goals. If you know yourself well from the beginning, you can put safeguards in place so that you don't stand in the way of your organization's progress due to your natural tendencies.

Some may think of this as a head-in-the-clouds concept or practice that should be reserved solely for Fortune 500 companies. They couldn't be more wrong. Which business has ever been successful, sustainable or acquirable after one year's performance without self-assessment and retrospection? How many companies, large and small, have we seen struggle and gone out of business? Why do you think that is?

You can sell tires or you can sell computers, but if you do not keep reevaluating what you've done and planning what you're going to do, you will go out of business. So, keep up on the latest trends, the latest technology, the latest marketing and distribution channels, the service offerings and the customer relationships. Look toward the horizon, push your organization toward change and make the difficult decisions that will take it in the right direction. Why?

Because that's what makes you a CVO.