



Are You Fighting Founders Syndrome?

Entrepreneurs are well-known for having passion, drive, and an unrelenting vision for the future — but can these character traits actually damage the organization long-term?

Founders Syndrome is said to affect business founders or leaders who bring the company through tough times, such as a startup, near financial collapse, or overseeing a tremendous growth spurt. During these challenging times, founders usually make all of the (mostly reactive) decisions themselves, based on their individualistic viewpoints.

However, after hard times have passed, many founders find it difficult to move toward a proactive, decentralized organization, and continue to make centralized, spur-of-the-moment decisions, often unintentionally causing harm to the organization. This situation is most obvious in a business started in a garage or basement that now produces \$10 million or more in annual sales. Despite their size, these organizations continue to make decisions as if the owners are gathered around a kitchen table, reactively trying to survive, instead of in a boardroom as a proactive response to internal and external conditions.

Not surprisingly, the first time I heard the phrase “Founders Syndrome,” I was a co-founder, running a multimillion-dollar business. Since then, during the course of my own experience and consulting for clients, I’ve identified some related patterns of behavior that can negatively affect the company’s culture, productivity and overall success.

Typical Warning Signs and Organizational Impact

Could you unknowingly suffer from Founders Syndrome? Consider the typical traits and warning signs below to determine your risk.

Do you:

- Avoid planning, policies and procedures?



- Make decisions without the input of other managers, or simply “go through the motions” of getting other people to rubber stamp your ideas?

- Feel or act resistant to changes in how decisions are made? Or give people authority to make decisions and then make them yourself anyway (often under the guise of “I suggest ... but it’s your decision”)?

- Hold sporadic staff meetings to report fires and rally the troops?

- Motivate by fear and guilt (sometimes without knowing it)?

- See your staff as working for you instead of the mission of the organization?

- See your role as generating new ideas and “stirring things up”?

- Find that things “fall apart” or experience significant reduction in productivity while you’re on vacation?

- React to most problems with the statement “If I only had more money ...”?

- Find that you’ve lost good employees for reasons other than more money?

If you answered “yes” to any of the questions above, you could have Founders Syndrome.

All businesses go through a life cycle and have different needs at each stage. In its infancy, a business requires an entrepreneurial mindset, but once the business matures it requires well-planned and managed growth development to continue to meet the needs of its stakeholders (customers, employees and vendors). Often a company suffering with Founders Syndrome struggles with the same problems or fires over and over again, usually stemming from a lack of planning, management consistency and even fear (employees are sometimes afraid to challenge the founder).

To create a sustainable organization, founders must recognize when it’s time to get support to take the company to the next

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level. Many founders who have sought professional assistance have, over time, developed their leadership skills and made fundamental changes to how they manage their organization. Some founders are never able to make the leap, however. Alternative paths include hiring a president to run the day-to-day operations or to exit (sell) the business.

The Next Step

If you are a founder with any of the symptoms described above, changing your management style won't be easy, but it can be done by taking the steps necessary to empower your organization. As a result, you will not only experience less stress and have a happier staff (with less turnover), but you will also see improved employee productivity and satisfaction. Perhaps most importantly, you will build a sustainable organization that can withstand the test of time.

Consider taking these steps:

- Ask for help from trusted advisors, friends and business associates.
- Set the company's direction through a series of strategic planning sessions using an outside moderator or consultant.
- Develop and implement structured organizational charts and job descriptions that delegate activities.
- Share management challenges and successes with staff and ask for their input during both good and bad times.
- Take some management training classes or seminars.

Although nobody intentionally sets out to damage their organization, Founder's Syndrome is a reality that impacts countless businesses and individuals across the globe. The antidote? Grow with your organization as it changes over time. **R**

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