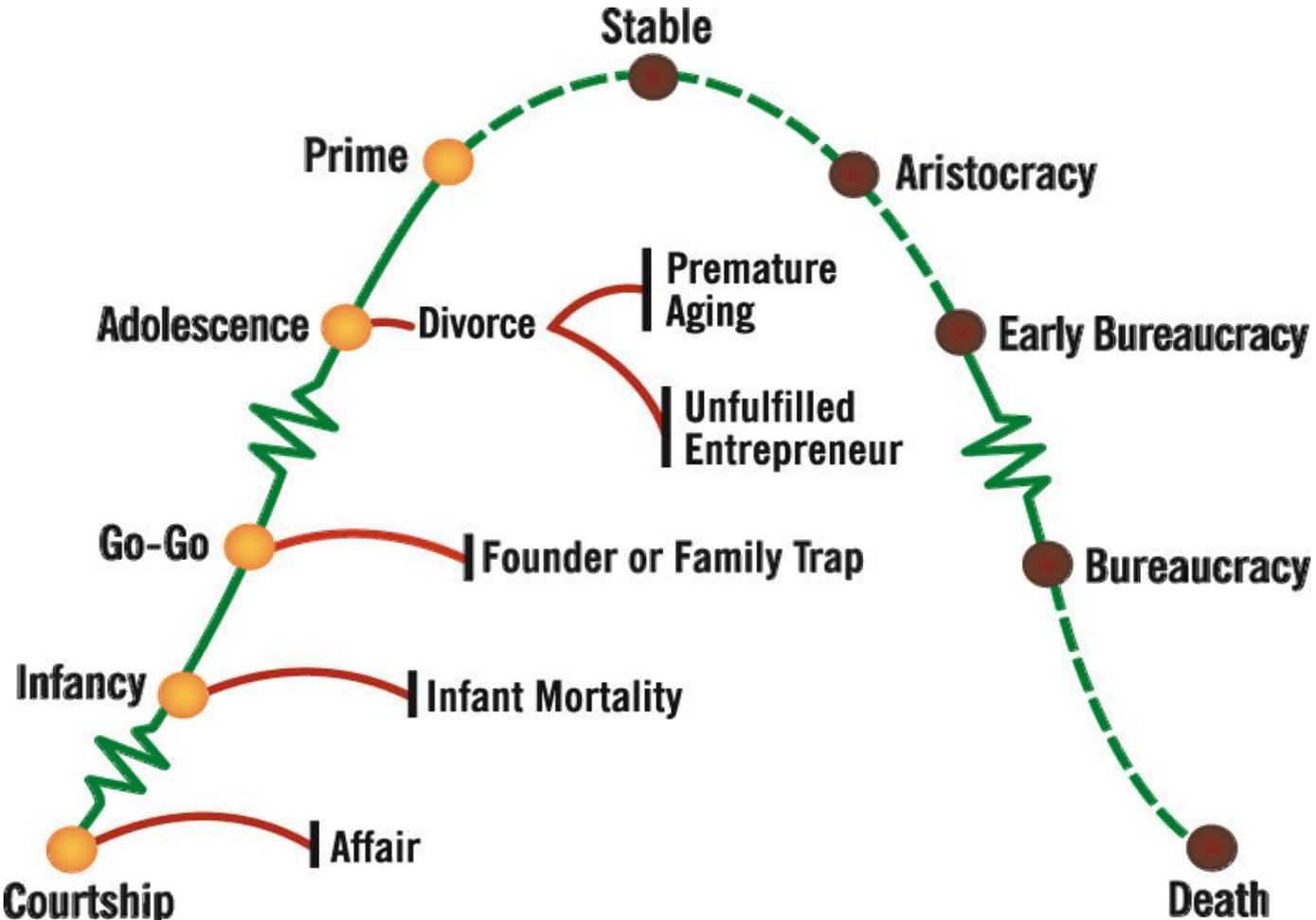


A thick, solid blue curved line that starts from the bottom left and arcs upwards and to the right, crossing through the title text.

# **Company Development and Leadership Styles**

**by Greg Mathers**

# Lifecycle of an Organization



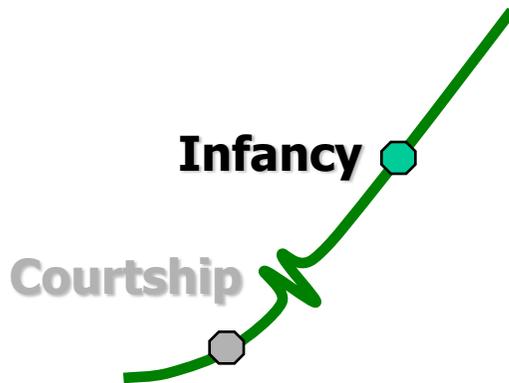
- **The “organization” is an ‘idea’**
- **Building Commitment**
- **The founder is vulnerable**

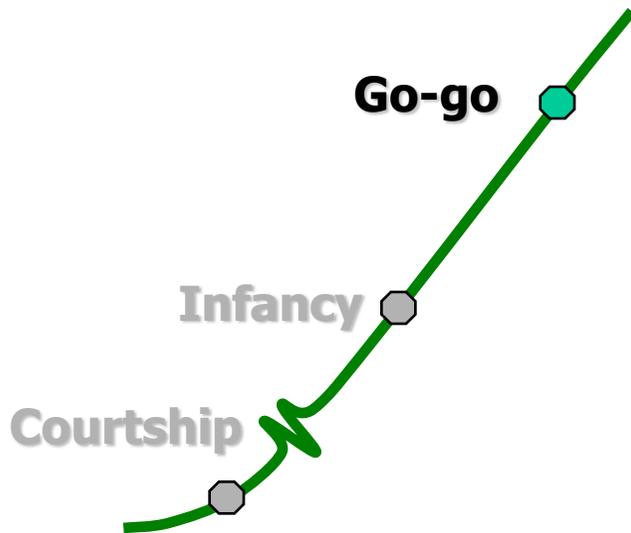
**Courtship**



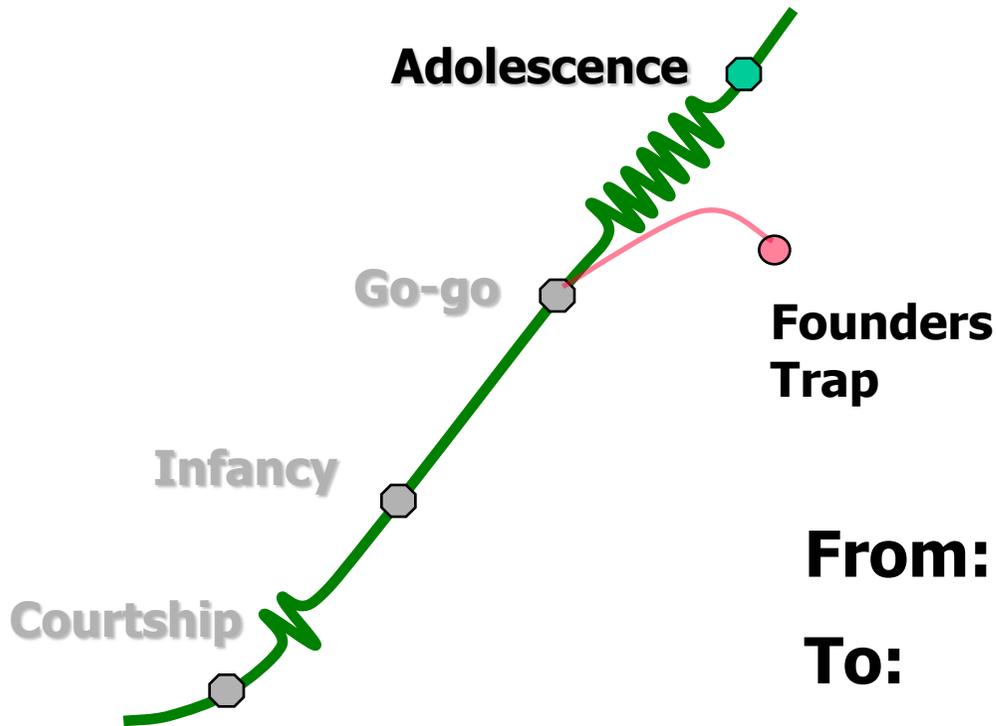
## The company is born when risk is taken

- **“We don’t need any more ideas, WE NEED RESULTS.”**
- **Action oriented**
- **Few policies, systems, procedures, budgets**
- **Job description: everything**
- **Limited delegation**
- **Authoritarian Leadership**





- **Positive cash flow**
- **Strong growth**
- **Organization becomes Arrogant**
- **Opportunity driven**
- **Organized around people, not around tasks**
- **Too many priorities**
- **Lack of Accountability**
- **Assumes → More revenue = More profits**



## Transition Causes

- Unmanageable crisis
- Founder's interest changes

**Needs:**

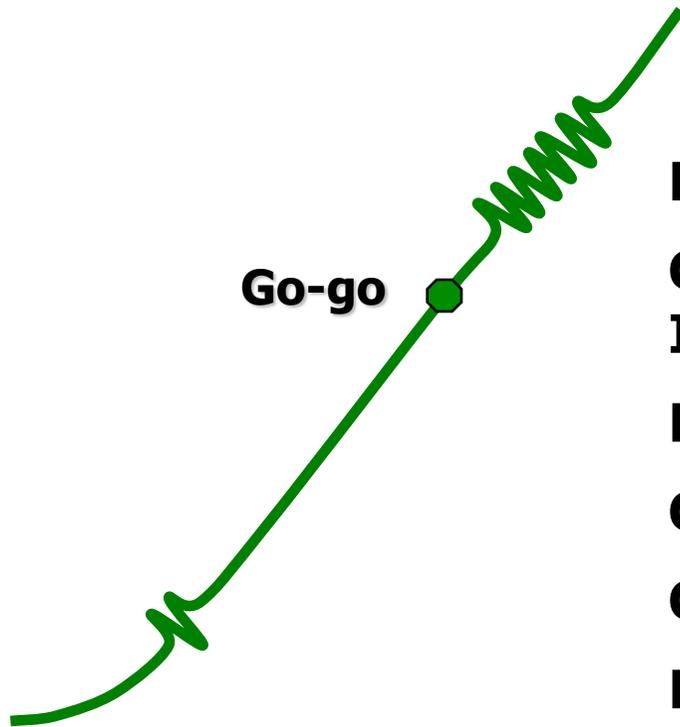
**Transition**

**From: Entrepreneurial Management**

**To: Professional Management**

## Needs:

### Transition



**Professional management team**

**Change Authority, Accountability and Information System**

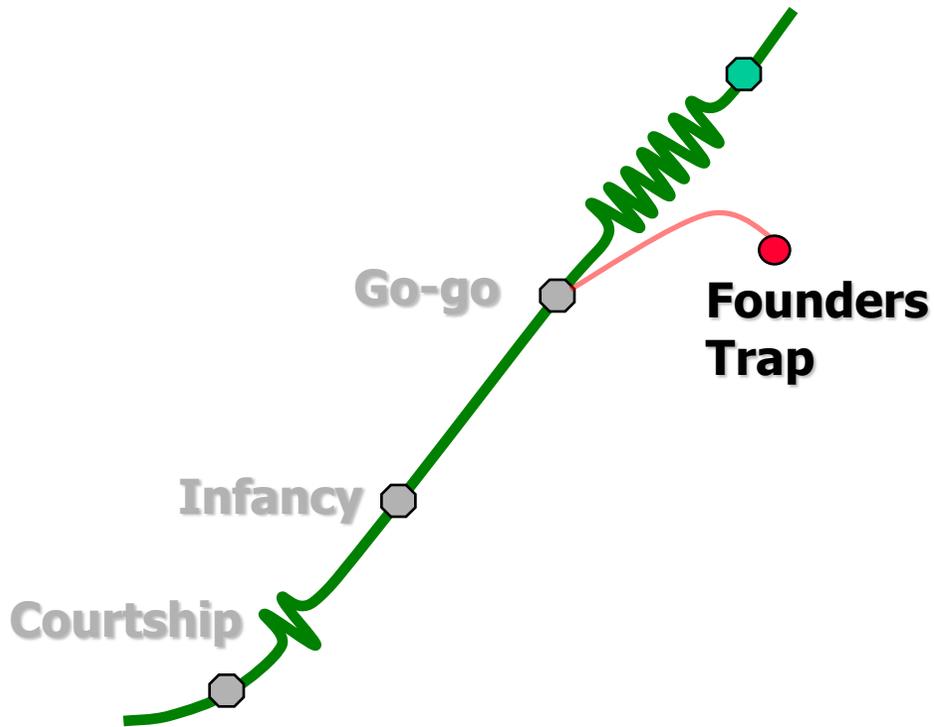
**New Definition of the Company**

**Change of Organization Structure**

**Change of Incentive Systems**

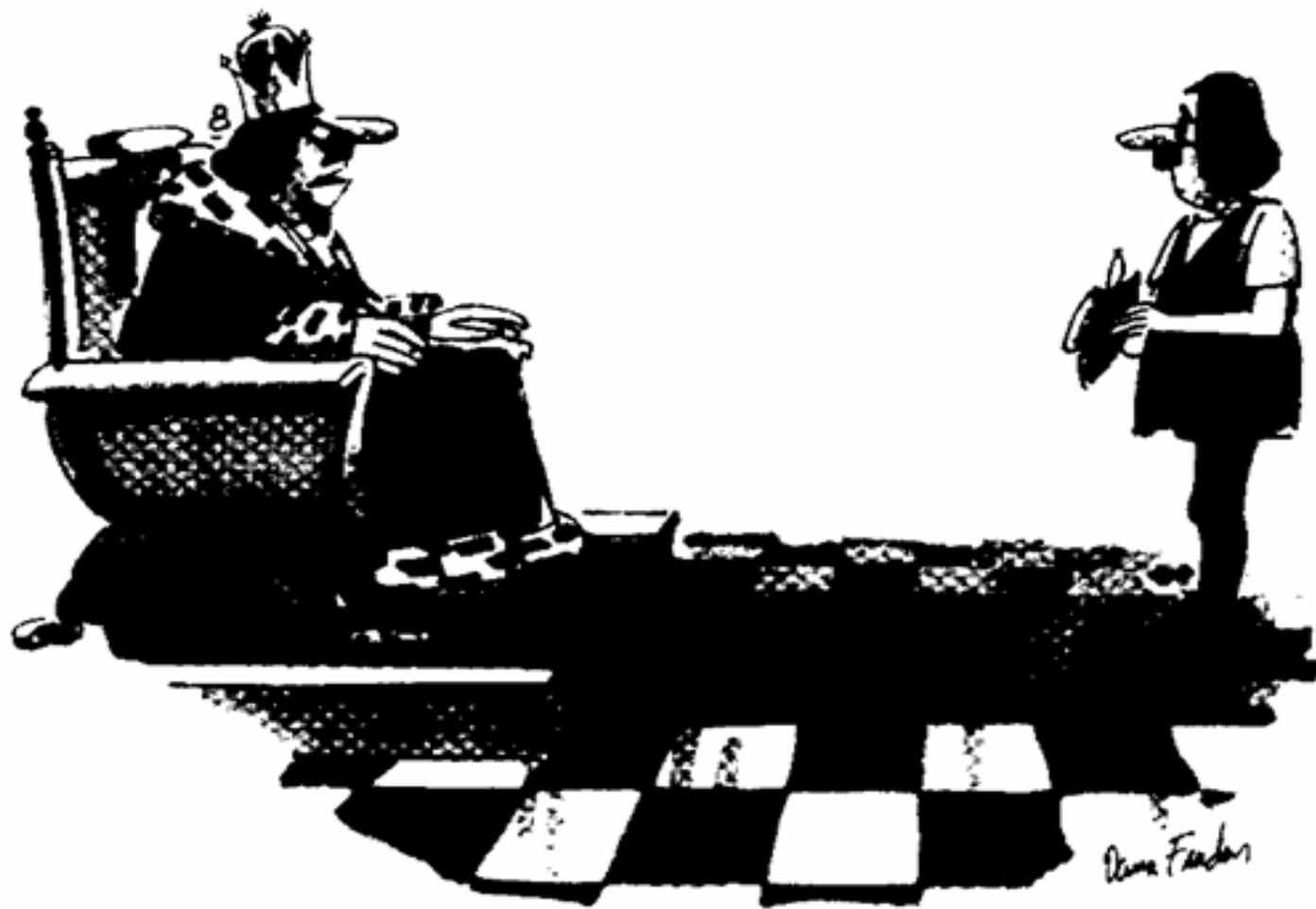
**Leadership Transition**

If an effective transition to Adolescence is not made...  
the organization falls into **Founder's Trap**



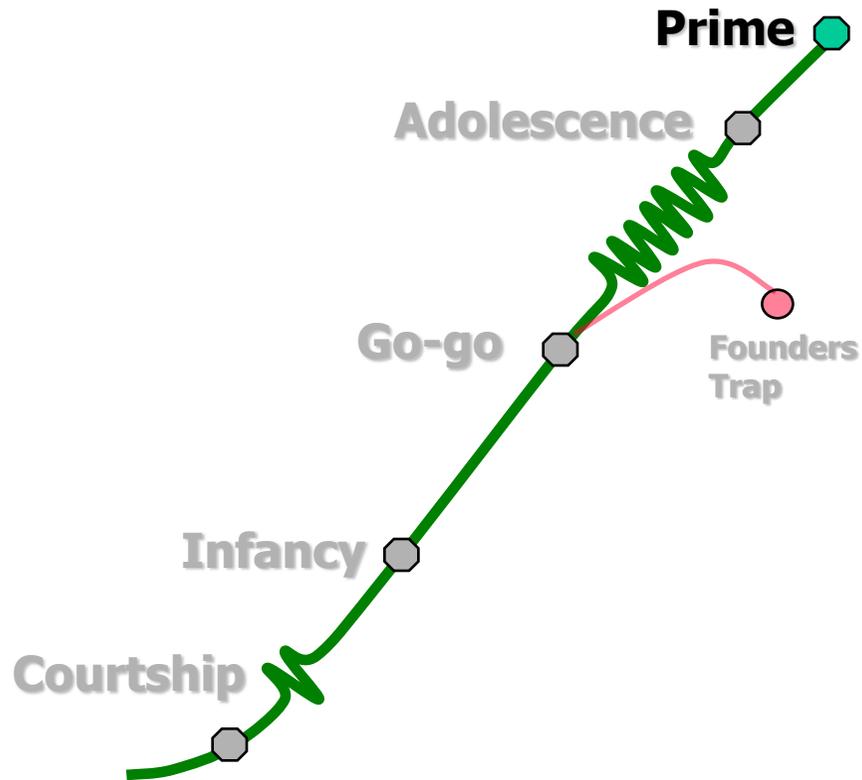
**Organization ages and dies  
with the Founder**

## The Founder's Trap



*"I can't solve your problem. I am the problem."*

## The "Optimum" Region



- Mature company
- Functional organization structure
- Creates new infant organizations
- Reorganizes and changes as needed



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