THE TOP TEN MISTAKES LEADERS MAKE

AND WHAT TO DO TO AVOID MAKING THEM YOURSELF.

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The Top Ten Mistakes Most Leaders Make
(and what to do to avoid making them yourself)

No one likes to make mistakes, but leadership, by definition, is a mistake-prone endeavor. Why? Because inherent in our position of leadership is the requirement that we take risks by making decisions without possessing full knowledge. And whenever we’re required to make decisions without possessing full-knowledge, the probability of making mistakes increases dramatically.

However, the good news about human leadership is that it’s not all about perfection—it’s all about progress. Progress, by definition, is about taking chances, making mistakes, learning from them and then getting back in the game at a higher and more intelligent level. So, if you’d like to shave a few years off your leadership learning curve by avoiding making some of the more common leadership mistakes that most leaders make, then you’ll want to reflect frequently on this list of Top Ten Leadership Mistakes.

Mistake #1 - They Practice MBWA over LBSA.

In other words, while Managing By Wandering Around (MBWA) is a positive management practice, great leaders know that leaders lead best when they Lead By Storying Around (LBSA). If you’ve ever been around a great leader you know this to be true. Why? Because all great leaders have a point of view they want to articulate to their people. Since they know that stories best capture the hearts of people, they tell lots of stories.

Moreover, great leaders also know that culture is created by story (and that culture is what really drives organizations). For example, at OXO, the kitchen gadgetry company, Sam Farber is known for constantly retelling the story of how OXO began. The basic storyline is that wife had begun to develop arthritis and found it difficult to use the kitchen gadgets in their kitchen. His desire to find a solution to help her is what led to his company’s founding and its commensurate commitment to what is known as Universal Design (i.e. making tools that are accessible for the greatest number of people possible).

Leaders who think they’re leading simply because they’re around their people are missing out on one of the most important opportunities they have with their employees. Checking in and holding employees accountable is good management practice (MBWA). But casting vision through story telling (maybe of a coworker who
lived out the value of remarkable service with a customer) is a great leadership practice (LBSA). Unfortunately, most “leaders” don’t get this.

So, if you’d like to avoid making this major leadership mistake, then make a commitment to being a great storyteller. Learn to tell them. Learn how to find them. And then practice telling them as much as possible. In fact, one of my frequent leadership comments is, “Leaders can never tell too many stories or cast vision too frequently.” So, go cast some vision today (and then repeat every day after today).

**Mistake #2 - They Hire Fast and Fire Slow.**

Few things are more critical to the success of an organization than the attraction and retention of top talent. Unfortunately, leaders often get frustrated during the recruitment process and end up hiring B and C players just to complete the task and have someone in place who can get the work done that isn’t getting done right now. Bad decision.

Hiring the wrong person usually costs a company somewhere between three to six times that person’s annual salary (direct costs, hiring costs, training, severance, lost opportunity, managerial time, etc). Furthermore, since managing is 80% hiring, whenever you hire a B or C player, it inevitably leads to you investing more time in managing, a lessor quality product or service, a slower growth rate, less profit and more morale problems (i.e. any way you add it up hiring the wrong candidate is a bad idea).

Moreover, if that weren’t enough, at some point, you’ll probably have to fire that person. And since most leaders put off firing too long, you’ll end up creating additional problems that could’ve been avoided if you had simply hired better in the first place (or had released that employee when it became obvious that their competencies had been exceeded).

One of my great regrets as the former leader of a large organization is that I was often too loyal and gracious to some employees—which is a polite way of saying that I kept several people on my staff longer than I should have—which wasn’t really right or fair to them or the organization.

Once it becomes obvious that an employee’s competencies have been surpassed, it’s better for them (and for you) to let them go. Eventually, you’ll have to let them go and when you do, it’ll be infinitely more complicated than if you had let them go when you knew it was time.

So, if you want to learn from my pain (and that of others), make sure practice the following rule: **Hire Slow, Fire Fast.** Memorize that or you’ll pay for it later. Trust me!

**Mistake #3 - They Don’t Invest Enough in Personal Leadership Development.**

Capacity Theory states that people are entrusted with that which they have the capacity to handle. If a leader can only lead ten people, they won’t be entrusted with fifty. Likewise, if they can only lead a $5 million company, they won’t be entrusted to lead a $100 million company.
The solution, of course, is to increase your capacity. And the primary way to do that is to continually invest in your own leadership development. It’s at the core of all we do here at Accelerated Growth Consulting. “Grow the leader. Grow the organization.”

Why? Because everything in an organization flows down from the top. If you, the leader, grow your capacity, your whole organization will grow. Of course, the corollary is also true. If you don’t grow, you’ll hinder the whole growth of your organization.

And, by the way, busyness is not an excuse. If you want to grow your business, you have to grow first. And not only should your company pay for this, I think you should as well. In fact, my recommendations is that every leader ought to invest at least 3% of their salary/income in personal development—plus whatever they can get from their company.

The other day, I came across an article by Ron White where he attempted to draw a correlation between reading and income. Now, while there are plenty of poor people who read a lot and rich people who don’t, the statistic he offered is worth pondering. He wrote, “Statistics say the average CEO in America reads 4-5 books per month while the average American reads 1 book per year.” That’s interesting, isn’t it? If the average CEO reads four to five books per month, how many books have you read this month?

The bottom line is, if you want to lead at a bigger, better, faster and more profitable business (or organization) then you need to continually increase your leadership capacity—which almost always requires a fair amount of intentionality.

Note: While this may seem self-serving, I think every leader ought to have a coach (or better, multiple coaches for different areas). If business leaders like Eric Schmidt (CEO of Google) and Steve Jobs need a business coach, don’t you think you should have one as well?

Regardless, if you want to avoid this leadership mistake of not investing enough in personal development and self-leadership development, then make some changes today. Put learning on your calendar. Find a coach. Order a new book. Listen to a webinar. And take charge of your own education. As you do, you’ll increase your value—and you’ll be better prepared to lead your company to the next level.

**Mistake #4 - They Focus on Tasks versus Results.**

Years ago, Alec Mackenzie wrote a statement that haunts me virtually every day, “Nothing is easier than being busy, nothing more difficult than being effective.” Ouch!

Most “leaders” get overwhelmed with the immense number of tasks they need to accomplish—and then end up burying their head in them. Whenever you or I encounter this kind of leader, they almost always have that busy and haggard look on their face that says, “Hey, I’ve got so much to do I don’t even have five seconds for you.” However, rarely do these same leaders ever take the time to focus on real results. They focus so much on their tasks at hand and being busy that they lose sight of focusing on concrete results and being effective.

During one stage of leading my former church, I fell into this trap. As our church grew larger, I kept getting busier and busier. Then one day, as I was reviewing our
growth rates, I realized that while we had grown by over 30.5% per year in the 90’s, we had slowed down to 7.8% per year in the first three years of the 00’s. Once I recognized that my busyness wasn’t delivering the results I wanted (mentally, I thought we were still doing the 90’s percentages), I immediately became focused more on the “result” of growth (vs. the busyness of leading a large organization) and within a little over a month, we were back on a 20% growth curve.

So, if you’d like to avoid this syndrome I recommend that you clear out a day on your calendar and get away from your office so you can focus on clarifying the real results you’re after (and how you can achieve them). Once you’re clear on the results you want (and the results you’ve been receiving), you’ll have greater clarity on what to focus your attention on. Remember, great leaders always focus on results, not on activity and busyness.

“Nothing is easier than being busy. Nothing more difficult than being effective.” Alec McKenzie

Mistake #5 – They Delegate Managing.

Most of the “leaders” I know hate managing. This dislike is usually further fueled by authors (and speakers) who write books (or give talks) on how management and leadership are two different processes (which they are). However, the way most leaders interpret this is, “I knew it. I’m not a manager so therefore I don’t need to manage any longer. I’m free. All I need to do is hire someone who’ll do the managing for me.”

Now, while there’s nothing wrong with hiring a manager, leaders cannot fully delegate management away — nor can managers completely delegate leading away. What effective organizations need are more leader/managers and manager/leaders. It’s not an either/or but a both/and.

In other words, wise leaders never fully give up managing. A friend of mine leads an organization of over 6,000 people. He, like most leaders I know, dislikes the management part of the job. However, he also knows that he can’t fully delegate that part of his job away. He knows that to effectively lead his organization, he has to manage more than just one direct report, who then manages everyone else. In his case, he likes to have three direct reports. I usually recommend having between three to five.

Remember, people do what people see. If you aren’t actively managing your direct reports (as well as leading them and developing them and encouraging them, etc.), then chances are your direct reports won’t either (and the whole management thing for your whole company falls apart from there). So, if you’d like to avoid making this leadership mistake, I’d encourage you to limit the scope/number of people who report to you and then learn how to manage (as well as lead) that smaller group incredibly well. You want to be a great leader/manager — not just a leader (or you’ll just end up with a lot of great ideas that won’t get executed).

Mistake #6 – They Don’t Lead with Ideas.

Great leaders always lead with ideas. Why? Because whoever causes a group of people to accept an idea is the leader at that moment. That’s why it’s so critical for
leaders to be idea people. Now, this doesn’t mean that the leader has to generate every idea. But it does mean that the leader must, at a minimum, help create buy in for that idea and then become the banner carrier for that idea.

Why? Because ideas are what move people and organizations. When John Scully, Michael Spindler and Gil Amelio became the three successive CEOs of Apple in the early 90’s, Apple had its worst years. Why? Because they were all managers who couldn’t create the kinds of innovative ideas that made Apple great. It wasn’t until Steve Jobs returned that Apple made its comeback. Why? Because Steve is an idea guy. And the ideas he (and his team) have created have lead not only to one of the greatest comebacks in business history, they’ve also lead to the re-invention of four whole industries and what is (at the moment I’m writing) the second most valuable company on the planet (by market cap).

So, if you want to be a great leader I’d recommend that you follow the path of Steve Jobs and unleash your creative ability to generate ideas. Simply saying, “I’m not creative,” is unacceptable (and inaccurate). You are creative. Now just let it out.

Bottom line, if you want to lead well, you’ve got to become an idea factory. Why? Because ideas are what capture the hearts and minds of people—which is why all great leaders lead with ideas (whereas poor leaders keep doing what they’ve been doing). That said, what’s your next great idea?

**Mistake #7 – They Don’t Manage Morale and Momentum.**

Despite what anyone might say to the contrary, every business (or organization) is fragile—and nothing is more fragile than the morale and momentum of that organization. As John Maxwell likes to say,

“When big mo is on your side, you can do no wrong. But when big mo is not on your side, you can do no right.”

While no leader can keep morale up all the time, that shouldn’t stop us from trying. Managing morale is one of the reasons why Leading By Storying Around (LBSA) is so critical. The very act of telling stories—specifically stories that tell what’s going right in an organization—is critical to leadership success/high morale.

One of the frequent comments I make to my clients is that they need to continually be testing the temperature of the business (or organization). For example, during the years I was leading a large church I used to do a weekly evaluation of morale and momentum. If morale was good, I would stoke it and then focus on other items that needed attention. But, if morale was low, I would share more and more stories of what was working at that very moment. Why? Because I knew that morale and momentum were critical to my organization’s ability to get things done. And if I, or anyone in my organization, wanted to get anything done quickly, morale had to be high.

So, if you want to avoid this mistake, make sure that you constantly pay attention to the morale and momentum of your employees. It’s hard to overstate how critical this one idea is. But if you start doing it regularly, you’ll understand completely.

**Note:** One simple tool for doing this is to create a CEO or owner’s blog for your business. As soon as a good story surfaces, put it up on your blog. The more you brag
on your people and tell cool customer stories the faster and you’ll see morale shoot way up!

**Mistake #8 – They Don’t Manage the Money.**

It may be hard to believe but the following is true—an unbelievable number of owners and CEOs aren’t great money managers. They’re not great personal money managers and they’re not good corporate money managers—which is a huge problem—especially when it comes to leading a business (or organization).

But there’s another reason why this is a critical leadership mistake and that reason is as follows—**whoever controls the money, controls the organization.**

Frequently I’ll hear leaders say something to the effect of, “Well, money’s not my thing,” which is a rather foolish thing to say. Why? Because whoever controls the money controls the organization. If you want to enter a new market or invest in a new technology or buy a new company or hire a new executive—and someone else controls the money or tells you that you can’t—you’re no longer the leader, you’re a follower.

So, if “money’s not your thing,” and you want to be a leader, make it your thing. Take some courses, read some books and find a few financial advisors to help you. Why? Because whoever is managing the money is the leader.

By the way, if someone (like a board member or CFO or accountant) ever tries to take your ability to manage the money away from you (i.e. your ability to direct cash flow), make sure you fight it. It’s nearly impossible to lead anything when you can’t manage the money. However, this doesn’t mean you should be doing the bookkeeping or accounting work—you should just be managing it.

**Mistake #9 – They Lead Everyone The Same Way.**

Two of the most common mistakes I observe in leaders are that they 1) tend to lead everyone the same way and 2) the way they like to lead everyone is the way they like to be led. Both of these are huge gargantuan mistakes. Why? Because no matter what our personality type, more people are unlike us than are like us.

For example, let’s say you’re a big picture systems kind of person (someone the Myers Briggs® people would call an NT). If you’re like that, then you don’t like someone telling you what to do. You like someone to simply say to you, “There’s a hill, go take it.” And you’ll figure out how to do that.

Now, if that’s how you like to be led, how will you tend to lead your people? Exactly! The same way. “There’s a hill, go take it!” Why? Because that’s what you like. However, not everyone on your team is like you. For example, the SJ temperament (another Myers Briggs category) doesn’t like that kind of leadership. SJs like a leader to spell out, step-by-step directions for a specific project so they know exactly what the expectations are (and can then meet them).

So while you may be thinking that you’re doing a great job as a leader, your people are probably thinking the opposite. While you feel great because you’re not “micromanaging,” your people are feeling like you’re dumping and running (and they’d
be right). You’re not giving them what they need to be successful. You’re giving them what you need to be successful — and those are two completely different things.

In other words, if you want to avoid this common leadership mistake, make sure you stop thinking like you and start thinking like them. If you always filter your leadership through their eyes, not yours, you’ll be well on your way to being a highly effective leader.

**Note:** If you’d like help with being able to lead people who don’t think, act and feel like you, make sure you go to my site, [www.PersonalityTypeLeadership.com](http://www.PersonalityTypeLeadership.com)

**Mistakes #10 – They Continue to Do What They’ve Always Done.**

In one sense, this mistake is completely understandable since most leaders are so overwhelmed with the tasks and complexities of leading their organizations that they rarely take the time to think about doing anything differently. However, the tendency to keep repeating yesterday is always shortsighted. Continuing to do what one has always done in the past will eventually stall and kill an organization or company.

This leadership practice applies to everything a leader or a company does. If a leader leads every meeting the same way, or motivates the same way, or teaches the same way, or organizes the company picnic the same way, or innovates the same way, or casts vision the same way — his or her leadership will lose it’s impact and become ordinary — which is a problem. Why? Because, as I often say, “Ordinary is a killer.” And why? Because everything in life moves from remarkable to ordinary to death. Everything!

When I was a kid, Sony was cool. I’ll never forget buying my first Sony Walkman. It was remarkable! But over the past several years Sony has been in trouble. When 60 Minutes asked their chairman why this had happened he simply said, “We got complacent.” Big or small, it doesn’t matter. There will always be a seductive and natural pull to continue to do what’s worked in the past.

However, if you want to be a remarkable leader, then you’ll need to continually change things and innovate new products and services. Remarkable leaders refuse to let anything they’re doing be boring, ordinary, mundane, predictable or pedestrian. Instead, they choose to do whatever they’re doing in such a way that they continually wow and woo the people they lead! So, what do you need to change up in your business (or organization) this week? What will keep you on the cutting edge and make you and your company more remarkable?

**Making it Real**

Reading a free report is easy. However, creating real change isn’t. So, if you want to avoid making the ten mistakes you’ve just read about, then I’d encourage you to take a few moments to answer the following questions.

1. Which of the ten mistakes have you made? (Be honest. I know I’ve made them all at some point)
2. Which of the ten do you make most frequently? Why?

3. What two or three things can you begin doing now in order to avoid making some of the mistakes you listed in number two above?

4. Choose to focus on the positive. You may want to write out or print the following,

   To be a better leader I need to . . .

   1. Practice LBSA over MBWA
   2. Hire slow and fire fast
   3. Invest in my personal leadership development
   4. Focus on results over tasks
   5. Be a leader/manager (not just a pure leader)
   6. Create and lead with ideas
   7. Be a great cheerleader
   8. Manage the money
   9. Lead people in light of their personality temperaments
   10. Do things differently (i.e. refuse to be ordinary)

If you do these ten things on a consistent basis, I’m confident you’ll become a better leader! So go for it! Be remarkable! You won’t regret it.

Finally, if you need additional help in your pursuit of becoming a better leader or growing your business faster, please feel free to contact me through one of the options listed below.

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So, if you want to put your business on the fast track toward becoming the kind of business you’ve always dreamed of, make sure you contact us here at Accelerated Growth Consulting by one of the means below!

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