

“Only I Can Fix This” – The Art of Letting Go

At ValueStep we have, over many years, juggled with the uncomfortable truth that business founders and inventors both create and destroy value. To put it bluntly, how does a business help its dominant leader crystallise their fortune, stay confident in their vision and get out of the way to allow the business to succeed to its next stage?

Whether a visionary, legacy-hunting disruptor, or an inventor, developing the World’s best mousetrap, the leader of a business risks destroying shareholder-value if ever they become convinced that “only I can fix this”.



Credit, Banksy

Why and when is it right to bring in help?

- It is unlikely that a business which was set up on a kitchen table or in a laboratory will have been structured to optimise: tax-efficiency; governance; investment; succession; and shareholding, let alone have considered future options for exit.
- It is also unlikely that the individual with the skills needed that take the business from inception also holds all the additional skills to grow, raise funds, roll-out and manage operations, plan succession and lead fundraising, Mergers & Acquisitions.
- What’s more, it may be an existential challenge for a founder to admit that they are not equipped with these skills let alone be prepared to hand over the reins, delegate authority, adjust shareholding etc, even though this may be exactly what is needed to protect or increase shareholder value.

So, we are in a Catch 22 – nobody dares tell the dominant founder the truth until it’s too late or until value is lost or not realised.

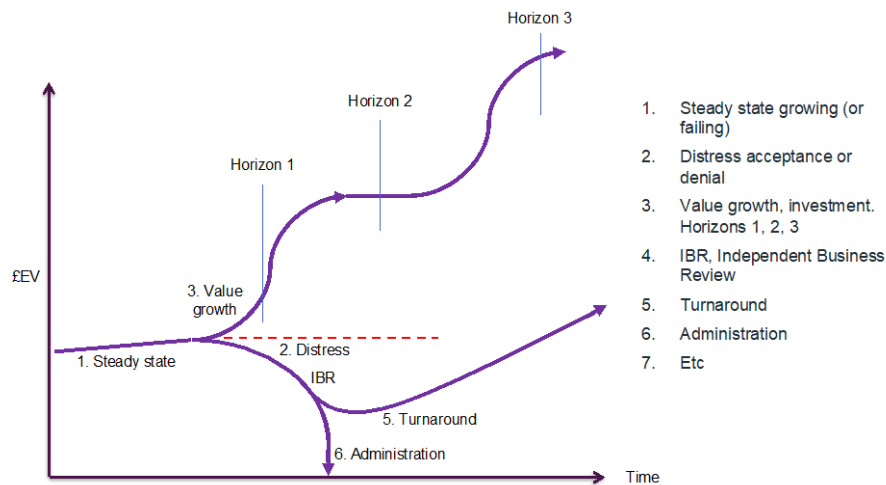
How do we get there from here?

We have observed that in most successful deals, the psychological positioning of the principals is just as important as the deal itself. Often, the very skillsets and characteristics of drive and self confidence that have got them into the successful position are those that hold them back.

Such leaders can benefit from confidential discussion with sensitive and experienced, independent advisors who have the insight to understand their requirements and aspirations and desire to protect the vision, coupled with the courage to tell the truth.

ValueStep has been in the room. We have learned the distinction between shareholder’s and company’s interest. We understand how to secure the founder’s legacy. We have made difficult choices chosen between strategic options and overcome many barriers to value. We have judged actual value in the face of optimism bias. We have balanced the rewards for invention, risk-taking and rainmaking. We have struggled with the inventor’s instinct to develop the next mousetrap rather than monetising the existing one. These are the proud battle scars of the ValueStep team who, many times, have had their own skin in the game.

How can ValueStep help you to find the right alternative future?



All businesses have a series of Alternative Futures No matter where your company is, do you suspect that “only I can fix this” applies to you or your business? If so, contact ValueStep for a complementary, no obligation Strategic Review.

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