

# The Alternative Board (TAB) Asks: Do You Lead or Manage Your Business? New Study Breaks Down the Difference

## When Asked How Well Employees Understand Their Role in Leadership's Vision, Business Owners Gave Themselves a Disappointing C- Average, According to a New Survey by The Alternative Board (TAB)

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DENVER, July 23, 2014 // [GLOBE NEWSWIRE](#) // - Accomplishing goals is the most essential function of running a company, according to 46% of entrepreneurs polled by The Alternative Board. By comparison, 38% place more importance on providing a vision for their business. Despite acknowledging how crucial that vision is to the company's success, most leaders need help communicating it: participants averaged just 7.1 out of 10 when grading themselves on how effectively they expressed their vision to their team.

"It's important that the leader establishes and communicates a vision. But it's even more important that they accomplish goals," says David Scarola, Vice President of TAB. "One without the other has little value."

After surveying 336 [small business](#) owners and CEOs worldwide (roughly 70% of whom have companies earning over \$1 million a year), a common profile of the modern business leader emerged from TAB's study. Key findings show that today's leaders:

- **Take risks.** In fact, 90% say pursuing opportunities (even those with high levels of risk) is more important than simply reducing risks – a task better suited for traditional suits.
- **Seek respect.** An overwhelming 65% of leaders feel that earning the respect of their team is preferable to being understood (33%), liked (3%) or feared (0%).
- **Inspire action.** Delegation and talent selection is key because 63% of the leaders surveyed believe inspiring action is their primary objective with employees, versus the traditional managerial roles of solving problems (16%) and coordinating tasks (15%).

Contemporary leaders favor direct communication and corporate transparency. When asked how they communicate with employees, the majority of CEOs (61%) say they most often speak to their staff face-to-face or in company meetings (27%). By contrast, 9% primarily communicate through managers and only 4% resort to email as the first line of communication with their staff.

Prepping their second-in-command is vital to a business owner's strategy for a number of reasons, including succession planning, selling the company or handling emergency scenarios. When asked how well their best available replacement would run the company if they had to step into the top role for the next year, only 30% of leaders say this person would be very effective. This is another [sign](#) that delegation and communication skills need to improve.

In TAB's poll, 62% of participants said that when faced with serious business obstacles, their first course of action is to seek input from those around them. This advice may come from trusted employees, freelance consultants or, possibly, a structured peer board – all of which can improve a leader's vision.

"Often when we think of 'visionary leadership' we think of someone who initiated a great change, like a skyrocketing start-up or the amazing turnaround of a struggling company. However, visionary leadership is just as important in the ongoing management of our businesses," says Jason Zickerman, TAB President & CEO.

## About The Alternative Board

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TAB helps forward-thinking business owners grow their businesses, increase profitability and improve their lives by leveraging local business advisory boards, private [business coaching](#) and proprietary strategic services. Having helped over 15,000 businesses in the last twenty-four years, TAB now offers its executive coaching, peer advisory boards and business leader alignment [training](#) to CEOs, presidents and business owners in ten countries.

To read a full review of the survey's findings and learn more about what they mean for your business, visit <http://www.TheAlternativeBoard.com>. For more information, or to schedule an interview with David Scarola, contact Jason Myers at [jason\(at\)contentfac\(dot\)com](mailto:jason(at)contentfac(dot)com).

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