CHAPTER 1

WHAT IS A COO?

"Ask questions about everything. If we don't ask questions, we hold ourselves back, and therefore our companies are held back in an unnecessary way. If we have the curiosity and the humility to ask questions and admit when we don't know, we're all so much better off for it."

—BRITTANY CLAUDIUS, FORMER COO ALLIANCE MEMBER AND COO OF SCRIBE MEDIA

When a CEO decides it's time to get help in the business, they may well feel overwhelmed and a little desperate. They're tempted to reach out to the first person who comes along. That's completely the wrong approach. It's unlikely to succeed—and it might well make things worse.

Many of the leadership roles in a business are a little cookie cutter. Most CMOs could be a CMO for most companies; most CFOs could, too. Not the COO. There are COOs who are marketing or franchising ninjas. There are COOs who would fall on their face at both but are fantastic at finance. As Harley

Finkelstein, COO of Shopify, told me on our *Second in Command* podcast, "No two COOs on the planet have the same job."

That's why, as we'll see, the search for a kick-ass COO doesn't start with the COO. It starts with the personality of the CEO, what they need, and the perfect match for their skills and character.

A COO could be outward-facing with a focus on marketing or PR and sales. They could be inward-facing and focus on operations, execution, and engineering. They could be IT-centric. There's only one key requirement, and it's this:

The COO has to be great at whatever the CEO sucks at. Again, it's yin and yang.

At 1-800-GOT-JUNK?, I ran everything except IT and finance. I didn't understand IT, and I didn't like finance. I have a type of dyslexia where I flip all my numbers around, so looking at spreadsheets leaves me a frustrated wreck. But I'm truly world-class at everything related to operations, execution, culture, PR, marketing, sales, branding, people, recruiting, interviewing, selection, onboarding, and training. And that was exactly what Brian needed at the time—especially when I also really knew franchising in the home services space.

He could read the spreadsheets himself.

THE SEVEN TYPES OF COOS

Nate Bennett and Stephen A. Miles wrote a great book on COOs—*Riding Shotgun*—and also a widely read *Harvard*

Business Review article titled "Second in Command: The Misunderstood Role of the Chief Operating Officer." They describe the COO's role as "at once so critical and so situational." They go on: "While other jobs are primarily defined in relation to the work to be done and the structure of the organization, the COO's role is defined in relation to the CEO as an individual."

After interviewing dozens of CEOs and COOs, Bennett and Miles arrived at seven main categories of COO, depending on the role the CEO needs the COO to fill: Executor, Change Agent, Mentor, Other Half, Partner, Heir Apparent, and MVP (of course, a COO can belong to more than one category at the same time, or evolve over time).

EXECUTOR

Perhaps the most traditional COO role is the executor. Traditionally, the executor was needed in operationally intensive industries like airlines and large tech firms, where it would be impossible for the CEO to manage all areas of operations. This second-in- command helps get the work done on a shorter time horizon—daily and quarterly—while the CEO sets the longer-term vision. The executor is maybe what most people think of when they hear the title COO: the classic behind-the-scenes collaborator who "makes it so."

A CEO puts an executor in place to get shit done. When I wrote my first book, *Double Double*, its working title was *How to Get More Shit Done with Less People, Faster*. Well, that's the role of the executor—you transfer your ideas and information to them, and they execute the things you want to happen. (And it's true to say that execution in some form or another represents a core role for all seconds in command.)

CHANGE AGENT

The change agent comes in to oversee a major company turnaround or even a massive growth phase. To that extent, they're a little like a crisis consultant, but usually the process requires more work and oversight over a longer time horizon. Perhaps the company is in financial peril, struggling to stay ahead of competitors, or moving in a new direction. One example is Larry Ellison hiring Ray Lane from Booz Allen Hamilton to turn around sales and marketing at Oracle. Change agents can drive transformation and handle the blowback when an organization needs to shake up business as usual to survive or level up.

A change agent usually comes from the outside because that makes it easier for them to see the business differently and to bring a fresh perspective to the problems as well as potential solutions—though their precise scope and tenure will depend on what needs to change. A change-agent COO might coordinate making a complete pivot in the organization, such as entering a new sector; transitioning from in-person to virtual work; taking a US-based company global; or they might oversee major mergers and acquisitions.

Change agents help effect transformation when the team won't listen to the CEO or leaders inside the organization. This is when changing a company culture is like dealing with teenagers. I thought some of my friends' parents were far more amazing than mine, so there was a much greater chance of me listening to them than to my own mom and dad.

My friends, of course, were more likely to listen to my folks than to their own.

Sometimes, people are more open to learning from those they know least. I coached Ben Kirschner, CEO of EliteSEM (now called Tinuiti), and his COO, Zach Morrison (now CEO of Tinuiti), for four years, and their team called me "Uncle Cameron" because they listened to my advice like they would have their own uncle's.

MENTOR

A mentor COO commonly comes into a business to support a CEO such as a young founder in a startup that scales too rapidly for the CEO's managerial ability to keep up. Bennett and Miles give the example of Mort Topfer, who was in his fifties in 1994 when he was brought in to serve as COO to twenty-nine-year-old Michael Dell. For a founder CEO to accept this kind of support, however, they must have a certain level of self-awareness and maturity. Above all, they have to be willing to admit what they don't know.

When I first started at 1-800-GOT-JUNK?, I played a mentor role to Brian, who needed to franchise but recognized he didn't have the knowledge base or skill set to do so on his own. I helped him with franchise manuals, franchise training, franchise coaching, marketing plans, budgets, building teams for all department areas, and other issues he didn't even know he didn't know. I'd already grown two franchise companies. He trusted me, *and* I had the skills he didn't have.

I actually started as a coach to Brian's VP of Operations, but that VP Operations walked into Brian's office within two weeks and said, "I can't do anything Cameron is trying to teach me. I'll never be able to learn what he does. We just need to bring him on board." As a mentor, I knew what we had to do, and I could go in and do it. The team members called me "uncle," because I was older than everybody else in the company at the time. I was even the first executive to have kids.

The COO often serves as a mentor to a young or inexperienced CEO, as Sheryl Sandberg did for Mark Zuckerberg at Facebook. She came in when Facebook was a very small company, only operating on university campuses, and mentored a twenty-three-year-old kid who had never built a business before.

Many tech founders are young and don't have the depth of understanding to build and scale a company. They understand the tech and how to offer a solution, but they need help with the business side. That's why mentor COOs have become so common in the tech space over the past decade or so.

(By the way, if you're in the tech space, I'd suggest hiring a COO who has experience in and understanding of your exact industry. There are other niches where it also makes sense to have domain expertise—engineering-related areas, or the automotive industry, say—but in others like home services, it's far less important.)

OTHER HALF

For me, every COO is to some degree or other an "other half." It's one of my central beliefs that you can only leverage the power of two by making the relationship between CEO and COO like a marriage. Any COO has to serve as the yin to your yang (or vice versa). It's the quintessential "two in a box" configuration. And just as every CEO has their own personality type, strengths, areas of expertise, weaknesses, needs, demands, working methods, foibles, doubts, and anxieties, so every CEO has a few possible COOs—maybe just one perfect COO—who will provide a balancing role in virtually every aspect. Who's up at thirty thousand feet when the CEO is down in the weeds, or deep in the day-to-day when the CEO is strategically thinking two years out, or making sure sales literature is printed and ready for distribution while the CEO is on TV selling their vision.

It makes sense for an outward-facing CEO with a big personality to have a more technical, inward-facing COO. Or for an inward-facing CEO to bring in a COO to do the public-facing stuff the CEO thinks is a waste of time.

As I say, every COO has to be at least partly an other half. Once I had helped Brian build a franchise infrastructure at 1-800-GOT-JUNK?, that's what happened to me. I love public speaking and motivating people, which complemented Brian's natural strengths, so I became his other half.

Finding your other half is not easy—just as no one achieves a perfect marriage without putting time, effort, and emotion into dating—but it's worth the effort, particularly if you're a strong, solid, seasoned CEO but you recognize you have areas of weakness; a COO who fills in those gaps will help leverage you, and your firm, to the next level.

PARTNER

In many ways, I see the partner as a variation on the "other half." It's when a CEO chooses to co-lead and puts the COO right in the same box with them on the org chart. A partner might bring other skill sets to the table you don't have, but they could also simply free up your time by taking enough work off your plate to enable you to stop working 100-hour weeks and get your life back. Not every CEO thrives in a co-leadership arrangement—because lines and responsibilities can be blurred, and toes can get stepped on—but those who do find that it can hugely leverage their ability and encourage their ambitions. The partner COO may even be a co-founder and co-investor in the company, but they clearly are not the visionary part of the partnership.

HEIR APPARENT

If you're looking for a successor, the COO role can be a way to identify and cultivate an heir apparent. It gives a COO a chance to learn all aspects of the business, while also giving the CEO the opportunity to ensure the potential successor has the right leadership qualities before handing over the reins. The key thing about an "heir apparent" COO is that their succession is not guaranteed. We're not talking about the British throne, where everyone knows the line of succession. Heir apparent is a chance for a COO to prove themselves and for a CEO to see them at work. Sometimes things go wrong; the COO turns out not to be the best fit for future CEO and goes their own way, while the CEO continues to look for a successor. However, effective COO to CEO transitions under this model include two generations of CEOs at Continental Airlines, Gordon Bethune and Larry Kellner; and Jevon

McCormick, who took over leadership of Scribe Media from founders Tucker Max and Zach Obront after originally starting as their COO.

When it works, using the COO role to groom an heir apparent helps ensure a succession plan. One member of the COO Alliance, Matt Wool, moved from COO to President when his CEO moved into the chairman role of Acceleration Partners. Zach Morrison (one of my coaching clients and a founding COO Alliance member), President and CEO of Tinuiti, ranked number two by Glassdoor, was previously COO. He was groomed as heir apparent when the CEO was preparing to exit to Chairman.

The heir apparent is usually an internal hire, but they could also be someone from the outside with deep domain expertise and a proven leadership record.

MVP

The final type of COO identified in the *HBR* article is the MVP. This is a special case that occurs when an internal lead is so integral to the operation of the company that a CEO promotes them to COO to avoid losing them to a competitor. That promotion comes with the respect of the whole team. Such a COO may grow into an heir apparent, but from the CEO's point of view the strategy focuses on recognizing achievement through internal promotion, thus driving retention.

My COO title at 1-800-GOT-JUNK? partly came from my MVP status. I originally joined as a coach to one of Brian's executives and then became VP of Operations. After I had contributed significantly to the company, one of the other VPs said in a leadership meeting, "Cameron really is COO. He knows what he's doing. He's running this place…Why don't we just give him the damn title?"

MVP roles develop when you identify an emerging leader in a similar situation. Some CEOs create the position when they recognize that a leader has stepped up within the company and is handling operations better than they were. When I became Brian's COO, eventually franchise sales reported to me, the call center reported to me, and I even co-led board meetings. I was better at some aspects of the business than Brian, and he was happy to hand off those responsibilities.

An MVP is critical because they are doing work *no one* else in the organization can do. Promoting them to COO can elevate the brand to another level. One of the first people I interviewed for the *Second in Command* podcast, Harley Finkelstein at Shopify, is a perfect example. The CEO didn't want to lose him, because Harvey focuses on business development and is an outward face. He rose to COO even before he had the experience for the job, mainly because he embodied the right perception of the company.

ROLES OF THE COO

The seven main categories are a useful framework for assessing what type of COO you need—or already have. But the roles the COO plays blur into one another: Adult in the Room; Follower v. Devil's Advocate; Design and Execution; Integrator; and Moderator and Enforcer. COOs can move from one type to another or be more than one type at the same time. Ultimately, again, there are as many different COOs as there are CEOs, but there are certain common roles CEOs most often need a COO to play.

ADULT IN THE ROOM

In recent decades, a big role of the COO has been to be the adult in the room. This is particularly true for the emerging tech business run by a younger technical founder who needs some supervision. There's some truth in the stereotype of tech founders as technical geniuses in headphones tapping away at their keyboards in the dark without the ability to build relationships, hire the right people, do marketing, sales, and HR, or even know whether the business is doing well. In this scenario, a COO tends to run the company around the CEO's technical expertise—and helps interpret the business world for the CEO.

Now that technical expertise is more widespread and better understood, other people are doing the programming, and most tech CEOs have better-rounded business skills. Businesspeople across the board understand technology better, and many technical founders now have the aptitude to continue to scale. Today, COOs in those businesses are less of an adult in the room and more of a partner in the adventure.

The dynamic within startups has changed as the breadth of technology has spread across all business areas. Twenty years ago, only tech geeks understood technology: it was a programming rabbit hole whose inhabitants didn't understand anything about business. Now, everyone knows what a server is, what programmers do...and that a whole ecosystem has grown up that allows you to outsource any kind of technical work to people who understand it. It's no longer unusual for a founder to build a company that involves technology without necessarily knowing how to code; and some of the largest companies are tech-based, from social media platforms to e-commerce.

In *High Growth Handbook,* author Elad Gil describes how many startups scale by having the technical founders focus on the product while they bring in an ops person to help them scale it: the COO. Gad discusses how the COO can build out the executive team and take on areas the founders don't have time for, are poorly suited to, or don't want to focus on.

While the COO takes strategic execution pieces off the CEO's desk, they need to be careful not just to become a dumping ground for every other business area apart from the CEO's own projects. Their role is to help the other business areas grow their skills and confidence by delegating action to business area heads.

Being a startup or scaling COO is not about *doing* stuff; it's about *getting stuff done*.

FOLLOWER VS. DEVIL'S ADVOCATE

Some CEOs need a COO who will simply execute what they tell them. Others benefit more from being challenged. These COOs are what I call, respectively, the follower and the devil's advocate. A follower COO takes the CEO's vision and makes it happen—because the CEO doesn't know how to, can't, or doesn't want to. This role works well in smaller companies with entrepreneurial CEOs who are happy to delegate much of what needs to get done. The CEO and the COO are like partners: to put it simply, they are the thinker and the doer.

The role of the devil's advocate COO is completely different. They often come in from outside a business to challenge the status quo, serve as a change agent, and to deliberately challenge the CEO to stop doing things the way they've always been done. Maybe they're experts in scaling or automation, or maybe their background in other fields gives them innovative or disruptive ideas. They're there to question a CEO's biases and ideas, perhaps when a business needs a restart after decades of operating in a particular way.

A devil's advocate causes upheaval. For that reason, they have to combine their ideas with outstanding people skills and an ability to defuse conflict. They need to be able to build consensus by challenging the CEO's ideas rather than simply disrupting the company and board through constant arguing for its own sake.

Unhealthy debate doesn't serve anyone—or the business.

DESIGN AND EXECUTION

Even with a devil's advocate COO, the basic relationship with the CEO remains the same. The CEO defines the vision of the organization, and the COO helps to figure out how to make that vision come true, either by following or by challenging. The CEO defines what the culture looks and feels like, and the COO figures out how to make it happen.

The CEO is like a homeowner, and the COO is like a general contractor. The homeowner decides what home they want built, and the contractor figures out how to build it. No homeowner would ask a contractor, "What would you like this home to look like?" The contractor might say, "The doorway would work better if it were over there rather than here," or "This would be cheaper in wood than in metal," and their ideas might be great—but the tail should never wag the dog.

By the same token, the homeowner shouldn't try to explain to a contractor how to wire electrical, pull plumbing, or pour a foundation. That's the contractor's job. The CEO describes the what—and then leaves the COO to figure out the how and the who to make it happen.

INTEGRATOR

The role of the COO is partly shaped by the size of a business.

In very small businesses, the second-in-command is often more of a right hand to the CEO rather than a true COO. A startup might aspire to get big enough to need a COO but not get there for a while. When the CEO gets to a point where they realize they can't do it all or don't know how to do it all, they need a partner or mentor to assist them. The first second-in-command is often an MVP from within the business.

When a company gets to the position of hiring its first COO, it is often the first true seasoned, senior role. In this case, the new COO will represent a major hire who will bring substantive change throughout the company. Author Gino Wickman, who wrote a couple of books that talked about the second-in-command role—*Rocket Fuel* and *Traction*—sees this type of

COO as an integrator for the CEO and the CEO's vision into the company.

In this view, the CEO is a visionary who should focus on the core areas of culture, vision, and direction. They generate lots of ideas without necessarily knowing how to execute. In smaller companies in particular, visionary CEOs also have trouble staying focused. They pursue too many ideas at once, creating whiplash inside the organization, and struggle to develop their leaders and managers. They're geniuses with a thousand helpers, so they need a second-in-command to introduce standardized systems and procedures to facilitate clarity, communication, and accountability.

When a CEO struggles with the people side of the business or plateaus in profit generation, it may be time to bring in an integrator COO who can help prioritize the random swirl of projects, adhere to a budget, and ensure follow-through.

Wickman describes the role of the integrator like this:

> An Integrator is the person who is the tiebreaker for the leadership team, is the glue for the organization, holds everything together, beats the drum (provides cadence), is accountable for the P&L results, executes the business plan, holds the Leadership Team accountable, and is the steady force in the organization. The Integrator also creates organizational clarity, communication, and consistency; typically (but not always) operates more on logic; drives results; forces resolution, focus, team unity, prioritization, and follow-through; is the filter for all of the Visionary's ideas; harmoniously integrates the Leadership Team; and helps to remove obstacles and barriers.

This kind of model works well in smaller companies—say fifty employees or fewer, or perhaps $1 million to $15 million—and some parts of the role, such as being accountable for P&L results and executing the business plan, are relevant whatever the size of the company. But in larger companies with many more teams and moving parts, the concept of integration becomes far more complex.

Take my story at 1-800-GOT-JUNK?, where we doubled revenue each year, growing from $2 million to $106 million, with three thousand employees. It was lightning growth, but by that point, I was tearing my hair out. The company felt huge. Then Launi Skinner, the former President of Starbucks USA, came on board as COO and said, "What a cute little company."

We had a very different frame of reference. At its new size, the company needed a new type of COO.

MODERATOR AND ENFORCER

The visionary–integrator model also risks the CEO-visionary abdicating too much responsibility. As a leadership team starts to scale, decisions might require a tiebreaker—but it should be the CEO. It doesn't make business sense for a CEO to vest tiebreaking decisions in a COO. Instead, the COO should be the person who enables *real* discussion to take place in the organization by getting people to say what they mean to avoid miscommunication and passive-aggression. They don't take sides; instead, they build collaboration and consensus so the team can solve their own problems, get on the same page, and be their own tiebreaker.

The COO serves as a moderator who gets all the other business areas working well together. They should be building a harmonious leadership team and organizing subject-matter experts to collaborate, build consensus, have healthy debates, and be in alignment. If the alignment doesn't exist, the decisions can't be made.

In smaller companies without accountable management teams, a COO might need to enforce accountability, but not in a larger company. As a company scales to medium or enterprise level, the leadership team should be able to hold themselves accountable. Rather than holding people accountable, the COO hires *accountable people*.

As we've seen, the contrast Wickman draws between a logical COO and an entrepreneurial CEO who is a scattered idea-generation machine is a little out of date now. More and more businesses are growing and becoming professionally managed over time as the CEO grows and learns. There are far fewer scattered CEOs, generally. And many top CEOs and entrepreneurs invest in their own leadership growth by participating in mastermind groups like YPO, EO, Genius Network, Strategic Coach, WarRoom, Mastermind Talks, Baby Bathwater, etc. The trend of CEOs growing their own skills with groups like these and with coaching has started to finally trickle down to them getting their senior leadership into coaching arrangements, mentorships, and mastermind groups like the COO Alliance, as well.

Wickman sees the role of the COO to serve as the glue in an organization. I see it slightly differently. I see *culture* as the glue that holds the organization together, and the CEO and COO as the source of that culture—through their vision, obsession with core values, and motivation toward goals. Collective alignment promotes cohesion, rather than a single individual.

It's not just me who sees things differently from Wickman. Zach Morrison of Tinuiti agrees that there may not be such a clear dichotomy between visionary and integrator, saying: "Over time, the COO needs to be both, and the CEO becomes the coach on both vs. *the* visionary."