

Welcome.

Ask yourself: “Are we building on clarity—or just momentum?”

Every business begins with energy.

Ideas. Action. Movement.

But movement alone doesn’t build something lasting. Many companies sprint out of the gate only to discover later that they built on the wrong assumptions, the wrong priorities, or the wrong foundation.

This session focuses on five foundational rules that prevent those early mistakes. These rules force us to slow down just enough to ask the right questions:

- Are we solving something that truly matters?
- Are we thinking deeply enough before committing to a direction?
- Are we building ourselves—or just building the company?

The goal today is not to reach consensus.

The goal is to surface honest insight, experience, and turning points from leaders who have been in the arena. If something said around this table challenges your thinking, good. That’s how foundations get stronger.

The Five fundamental Rules We’re Exploring:

- — Rule No. 1: **Solve a real problem.**
 - Recommended Reading: *The Lean Startup*, by Eric Ries
- — Rule No. 2: **Fall in love with the problem, not the solution.**
 - Recommended Reading: *The Mom Test*, by Rob Fitzpatrick
- — Rule No. 6: **Your first idea is rarely your best.**
 - Recommended Reading: *Originals*, by Adam Grant
- — Rule No. 10: **Never stop learning.**
 - Recommended Reading: *Mindset*, by Carol S. Dweck, Ph.D.
- — Rule No. 15: **Work on the business, not just in it.**
 - Recommended Reading: *The E-Myth Revisited*, by Michael E. Gerber

Rule No. 1 — Solve a real problem.

Why? Because, without a problem worth solving, everything else is wasted effort.

Rule Summary:

If your product, service or strategy isn't solving a real problem for a real person, it's a vanity project – not a business. Painkillers outperform vitamins every time.

Businesses don't fail because their founders didn't work hard enough. They fail because the work wasn't aimed at something real. Something felt. Something worth paying for.

Rule No.1 is where every enduring business begins: Identify the problem your customers can't ignore—and prove that your solution matters. If you can't do that, nothing else you build will matter either.

Many businesses fail for a simple reason:

They build something nobody actually needs. Entrepreneurs often fall in love with an idea before validating whether it solves a meaningful problem.

The discipline of great founders is simple but uncomfortable: test assumptions early and let real customers guide the direction.

The market tells the truth. Ego does not.

Questions for the Table:

When did you realize you were solving the wrong problem—or not solving one at all? What changed your thinking?

How do you personally test whether an opportunity is real before committing serious resources?

Looking at your current business today, where might you still be assuming instead of validating?

Rule No. 2 — Fall in love with the problem, not the solution.

Why? Because, it keeps you customer-centered, not ego-driven.

Rule Summary:

Solutions come and go, but a deep understanding of the real problem creates lasting value.

Focus on the true needs and challenges of your customers—not your preconceived ideas.

By anchoring yourself to the problem, you remain flexible, innovative, and better positioned to deliver meaningful solutions.

Too many businesses fail—not because they lacked passion or intelligence—but because they became emotionally attached to the wrong thing. They fell in love with their idea, their product, their pitch deck... and forgot to stay obsessed with the customer's actual problem.

Most founders pitch solutions too early.
They describe their idea, then ask people what they think.

The problem?
People are polite. They say nice things.

Real learning comes from a different approach: Instead of pitching solutions, investigate the customer's actual problems. When you understand the pain deeply enough, the right solutions become obvious.

Questions for the Table:

What is a time when customer feedback misled you because people were trying to be polite?

How do you personally get honest feedback from customers or employees instead of surface-level answers?

What problem inside your industry still isn't being solved well enough?

Rule No. 6 — Your first idea is rarely your best.

Why? Because most leadership mistakes don't come from bad intent
—they come from locking in too early.

Rule Summary:

Great ideas emerge after rethinking and refining initial concepts, proving that persistence and revision often lead to better solutions.

The most original thinkers don't settle for their first solution—they generate many. Great ideas often emerge later in the creative process, after initial concepts have been tested, challenged, or discarded.

Quantity breeds quality when you're willing to rethink, revise, and persist beyond what's obvious.

Rule No. 6 is the moment where discipline matters: slowing down just enough to challenge the first answer before it hardens into strategy. Get this wrong, and every rule that follows is built on a weak foundation.

The myth of innovation is the lightning-bolt idea. In reality, most breakthrough ideas emerge from iteration, exploration, and revision.

Great leaders don't cling to their first concept.
They challenge it. They improve it. They replace it when necessary.

Original thinking isn't about being the first person with an idea.
It's about being the person willing to keep improving it.

Questions for the Table:

What is a business idea you once believed strongly in that turned out to be wrong?

How do you encourage idea development in your team instead of settling for the first workable option?

Where might stubbornness be preventing improvement in your current strategy?

Rule No. 10 — Never stop learning.

Why? Because, growth mindset fuels reinvention.

Rule Summary:

A growth-minded leader embraces learning as a lifelong process—not a phase to graduate from. Whether you're in the boardroom or the breakroom, staying open to new ideas, skills, and feedback separates those who evolve from those who become irrelevant.

Success has a strange way of making leaders stop doing the very things that got them there. Learning is often the first to go. Titles replace curiosity. Experience replaces exploration. But in a world that moves faster than comfort allows, those who stop learning start falling behind—quietly at first, then all at once.

The best leaders never graduate from growth. They seek feedback others avoid, explore ideas outside their domain, and view mistakes as tuition—not setbacks.

If you're not learning, you're not leading. Not for long.

Leadership exposes weaknesses quickly.

Markets change. Technology evolves. Competitors adapt.

The leaders who stay relevant adopt a simple belief:

Skills can be developed. Intelligence can grow.

A growth mindset doesn't protect ego. It protects progress.

Learning leaders build learning organizations.

Questions for the Table:

What is something you had to relearn or completely rethink as your leadership role grew?

How do you personally continue learning while managing the pressure of running a business?

Where might your organization be stuck in an outdated way of thinking?

Rule No. 15 — Work on you business, not just in it.

Why? So that you build systems, not a self-employed prison.

Rule Summary:

Most entrepreneurs don't build businesses—they build traps. They start with a skill, launch into doing the work, and before long, they're drowning in tasks, chained to the very thing they thought would give them freedom.

Rule No. 15 draws a hard line: if you're always working in your business, it will never grow beyond you. But if you step back, systematize, and lead strategically, you can build something that runs without your constant presence. This isn't about working less—it's about working on what matters most.

Successful businesses aren't built by overworked operators—they're built by owners who step back, see the big picture, and design systems that scale.

The wake-up call: If you're stuck doing all the work yourself, you're not building a business—you've only bought yourself a job. Working on the business means shifting from technician to architect, from doing the tasks to designing the machine that gets them done.

Many entrepreneurs build businesses that depend entirely on them. They become the technician, the manager, and the owner all at once.

The result?

The business grows—but so does the workload.

True business building happens when leaders step back and design systems that allow the organization to operate without constant supervision.

The goal isn't to escape work.

The goal is to build something that works.

Questions for the Table:

When did you first realize you had become the bottleneck inside your own business?

What systems or processes have helped your company operate without you in the room?

If you stepped away for three months, what parts of your business would struggle the most?

Closing the Conversation

Before we wrap up, take a moment to ask the room one final question:

“Which rule from today’s discussion stayed with you the most —and why?”

Final reflections or takeaways?

Often the most valuable insights from a discussion like this aren’t in the book. They come from the experience sitting around the table.

Share Your Insight

If today’s discussion sparked an idea, surfaced a lesson, or reminded you of a turning point in your leadership journey, consider sharing it.

At The Executives’ Institute, leaders contribute real-world insight to the Rules so others can learn from the decisions, mistakes, and breakthroughs that shaped them. Your experience may be exactly what another leader needs to hear.

Visit TheExecutivesInstitute.com and add your perspective to any of the Rules discussed today. Leadership wisdom compounds when it’s shared.

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If the Institute has sharpened your thinking, helped guide a decision, or reminded you of a principle worth returning to — consider contributing.

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