

EMBRACING GROWTH

The Indispensable Value of CEO Coachability for Emerging Company Success



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I recently attended a life sciences educational event that focused on “creating and delivering a compelling pitch to investors”. The keynote speaker highlighted an important aspect in getting investors to be open to investing in the company: ensuring the founder/CEO is coachable.

I often encounter the issue of coachability when advising many client companies in the life sciences ecosystem. Lacking this skill set can be a serious deterrent for investment and growth. Several venture investors recently informed me that they would not write a check into a company because of the CEO and executive management team being “ill-coachable,” regardless of how interesting the technology appeared in addressing a market problem. Sadly, a lack of confidence in the leadership team’s coachability prevented requisite capital financing into a good technology. It happens more than you think.

1. The Evolving Definition of CEO Coachability in Today’s Environment

Coachability is a concept and important skill that we often discuss in our CEO peer forums of CEO360 and REF. It refers to the willingness and ability of a person or leader to receive feedback, learn, and apply coaching or advice to improve their leadership skills, decision-making, and overall effectiveness.

In the complex environment of 2025, coachability is the gateway to transformation and one of the strongest

predictors of long-term leadership success. It is not limited to new or inexperienced leaders; even seasoned CEOs need this trait.

Key attributes of a coachable CEO in the current market include:

- **Growth Mindset:** A belief that success comes from continuous learning and development, not just natural talent.
- **Vulnerability and Humility:** The ability to admit mistakes, see them as learning opportunities, and actively seek input from peers, employees, and mentors.
- **Strategic Agility:** A commitment to change, applying insights to pivot strategy, and developing skills like AI & Data Fluency to stay ahead of industry shifts and disruption. The best leaders prioritize continuous learning to increase innovation success rates.

2. The Investor Mandate: Coachability as a Capital Catalyst

From an investor’s perspective, investing in an emerging company is heavily about investing in the people, particularly the CEO, who will navigate the company through its growth phases.

- **Reducing Investment Risk:** A coachable CEO is seen as a safer and more promising bet for achieving the desired return on investment (ROI). Investors prefer entrepreneurs who demonstrate coachability in addition to competence.
- **Leveraging Strategic Support:** Venture investors provide not only capital but also invaluable insights, networks, and strategic advice. A coachable CEO is more likely to leverage this support effectively, aligning with the investors’ experience, which is critical for

success. For them, coaching is a critical tool in driving enterprise value, not a remedial measure.

- **Scaling the Leader:** The most successful outcomes for investors are highly correlated with a CEO who can scale themselves as they grow the company. Coachability is the primary mechanism for this personal and professional scaling, allowing a founder to transition their mindset from “hustle” to “precision,” and from individual contributor to team enabler.

3. The Strategic Pivot to Professional Leadership

A crucial manifestation of ultimate CEO coachability is the humility and strategic foresight to recognize when the company requires a leader with a different, more seasoned skillset.

Recognizing the Growth Threshold

While founders are often brilliant at rapid initial growth, that growth may level off over time. A board or the founder may conclude that the limitations of the founder-CEO—who may be unable to relinquish control or lack experience in scaling processes—are too great for the next level of expansion. In such cases, the founder’s coachability must extend to the openness to bringing in a professional, experienced CEO. This decision must be made proactively, well before the need becomes “grossly apparent”.

Attracting Necessary Capital

Hiring an experienced CEO is a direct and powerful way to secure significant growth capital:

- **Investor Confidence:** A professional CEO with a strong track record and reputation is a valuable asset in attracting investment. Investors are significantly

more likely to trust and invest in a company led by a well-connected, experienced CEO.

- **Sustained, Structured Growth:** Professional CEOs are experienced in implementing the necessary structures, processes, and systems required to support large-scale growth. Research suggests companies with professional CEOs tend to experience more sustained growth over the long term, which is attractive to financial investors.

- **Clarity of Vision:** The new leader can bring a fresh, objective perspective to spot practical issues, implement cost-saving measures, and put a strong, focused management team in place.

For the founder, this transition offers an opportunity to shift into a “Founder-Inspired” role, allowing them to focus their passion and expertise on innovation, vision, or product development, rather than the operational complexities of a scaling business.

Takeaways

Success for an emerging company in 2025 hinges not just on revolutionary technology, but on leadership capacity—the ability to grow and evolve at the same pace as the business. The ultimate test of a founder’s leadership is their coachability and their willingness to make the hard, strategic decisions necessary for the company’s long-term success. Whether that path involves continuous self-development through a coach or the strategic humility to bring in external, experienced leadership, both are rooted in a non-negotiable trait: the unwavering commitment to the company’s future over personal ego.

Disclosure

David H. Crean, Ph.D., is a Managing Partner for Cardiff Advisory LLC, an M&A investment banking strategic advisory firm focused on the Life Sciences and Health-care sectors. This article is provided for informational purposes only and does not constitute an offer, invitation, or recommendation to buy, sell, subscribe for or issue any securities.

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