# The Three Things an Entrepreneur-CEO Must Do Well

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**There are three things an entrepreneur-CEO must do well to be successful: 1) envision a new and better way of doing things, 2) build that out by building and running one’s organization so that it works excellently, and 3) transition that organization to people who can be successful without the entrepreneur-CEO.**

To do these things well, having excellent people with shared values on a common mission is most important. They must be independent thinkers who know how to disagree and get past their disagreements well. While I failed to transition well for the first few years of my transition, I learned a lot from those painful failures and I’m thrilled to say I believe that my key partners and I have now succeeded. One day I will pass along the principles of transitioning I learned that helped me succeed. One of them, which I learned from Jim Collins, is that “you only have to do two things to be successful at transitioning the company: 1) pick a great CEO who can be successful without you, and 2) have a great board that will change the CEO if they aren’t great enough to be successful without you.”

Because I believe in a partnership co-CEO model, when I stepped out of the CEO role in 2017 I wanted to pick two great CEOs. I looked for people who had both great character and great capabilities and who could have and produce meaningful work and meaningful relationships in our idea-meritocratic culture. The CEOs who had those qualities and followed me were Eileen Murray and Dave McCormick. They had worked with me and others at Bridgewater for 10 years so they had the meaningful relationships with each other and with the people at Bridgewater, and they were experienced in operating well in our idea-meritocratic culture. As a result, they stepped up into that role well. We agreed on how they (as CEOs), I (as chairman), and the board should operate together in our roles and we stuck to those agreements. When we disagreed, we disagreed well and got past those disagreements using our idea-meritocratic protocols (as described in my book Principles).

At the same time, the transition is going well on the investment front because the CIOs (Bob Prince, who has worked with me for 35 years, and Greg Jensen, who worked with Bob and I for 25 years) are still leading the investment decision-making effort while knowing that we too are evolving and transitioning and that we have to help those who work with us to build their capabilities so that these great transitions can continue. And we do that in our idea-meritocratic way of having thoughtful disagreements. Since we all evolve and will eventually evolve out, we pay a lot more attention to how to do that well. For example, Eileen will in March evolve to the next phase of her life as I, at 70, am evolving to the next phase of my life. While I plan to remain a co-CIO because I love playing the investment game and they want me to continue to do that with them, I know that the most important thing I can do now is help others be successful without me. Eileen and I will be replaced by those who will evolve up into our seats while others will also evolve into the seats of those who are rising up or perhaps into other seats outside of Bridgewater. It’s all about how to evolve well. To help you see that evolution, [here is an article](http://bit.ly/RDsuccessfulceo) that does a good job conveying what Dave McCormick is like and what this evolutionary process of moving into the CEO role looks like. You can’t imagine what a joy it is for me to watch him and to watch Bridgewater being run well without me.