

Delegation equals liberation for small business owners

Written by By Sandy Nelson Finance New Mexico
Friday, 07 December 2018 09:01



Sooner or later, an entrepreneur has to know his limits and acknowledge that some tasks can and should be done by others to allow him to focus on the bigger picture. That requires delegation — trusting others, whether subordinates, partners or independent contractors, to complete an assignment as directed.

As obvious as that sounds, an entrepreneur can have a hard time trusting others with his “baby,” ultimately defeating many business objectives and stunting the company’s natural growth.

Many businesses in New Mexico start small, with the owner doing all the work that’s required to get off the ground.

Success only increases the workload, and the owner who doesn’t delegate eventually will find her attention pulled away from mission-critical decisions into fussing with day-to-day minutia — answering phones or emails from clients or vendors, filing, blogging — or running in place trying to accomplish tasks outside her expertise.

For example, keeping track of revenue and costs is essential to knowing how a business is

Delegation equals liberation for small business owners

Written by By Sandy Nelson Finance New Mexico
Friday, 07 December 2018 09:01

doing, but the owner doesn't need to do the bookkeeping and tax preparation.

For the business owner, delegation involves letting go of some aspects of her creation and trusting others to do the job competently. It's not the same as "dumping" a project and forgetting about it.

Successful delegation involves communicating expectations and monitoring results, intervening only when necessary for course correction.

What to delegate

Some jobs should be delegated, but others require direct involvement of the business owner.

To decide which duties are appropriate for delegation and which belong on his to-do list, the owner should identify every task that's involved in operating the business, from sweeping floors to pursuing equity investors. His goal should be to reserve for himself the strategic activities that affect the company's long-term direction and growth.

For example, entering contracts, acquiring competitors and developing a new product are higher-level challenges that demand an owner's attention, but restocking empty shelves is a routine task that any employee can do with proper training and direction.

Once he's decided what's appropriate to delegate, the business owner should identify how each task should be done and communicate clear directions and expectations to those who will complete the task.

Some tasks — such as accounting or wiring a home for electricity — require strict procedures for safety or legal reasons, but other tasks allow for creativity and can be accomplished just as effectively using a variety of approaches.

Delegation equals liberation for small business owners

Written by By Sandy Nelson Finance New Mexico
Friday, 07 December 2018 09:01

Knowing when the process is critical and when it isn't separates managers from micromanagers when it comes to delegation.

Mistakes will be made and instructions will be misunderstood, but the business owner should see poor outcomes as an opportunity to improve his delegation skills — not as an excuse to fall back on controlling behaviors.

With time and practice, the business owner will become more comfortable with the art of delegation, and his team will respond positively and productively to the higher level of trust.

Finance New Mexico connects individuals and businesses with skills and funding resources for their business or idea. To learn more, visit: www.FinanceNewMexico.org.

By Sandy Nelson

Finance New Mexico