

The YEBDC Small Business Information Column

by Sue Gingerich, Business Advisor

"Delegating is Key to Growing A Small Business & Avoiding Owner Burnout"

Letting go is the hardest thing you will ever do. Human nature is such that most of us feel we have to do things ourselves to ensure that they are actually done properly. It is why parents keep making decisions for their children, when they really should be starting to let the child make some decisions. Most of us are afraid to see others make mistakes. In small businesses it is common to see owners trying to do everything themselves, when they really should be letting go.

If owners do not start to let go, eventually they will burn out. Even if the owner does not burn out, he or she is limiting the growth of his/her company. So it is vital that small business owners develop an ability to delegate.

So when is it the right time to start delegating? One thing for owners to watch for is how busy their day is becoming. Are there important tasks that are not getting done? Often owners will do the part they love, for example sales, but begin to neglect other things like paper work. Or maybe the shop is starting to look disorganized. Be careful, if this happens the next step is slower productivity, because it now takes longer than it should to find tools or materials.

Once the owner has made the realization that, yes, they are too busy; they have to learn to let go. This is the hard part. Giving up control. The first step in letting go is to implement some systems for control. For example; delegate the sales invoice data entry. To ensure that no sales records are lost, ensure each invoice is pre-numbered, and verified. Then create a daily report that shows the first and last number used. All numbers in between must be accounted for. Then record this conformation on the daily report. Now the owner just has to review the report, not do all the data entry. Yes, the odd mistake may be made on data entry. In fact, when first delegating this job's owners may want to check all entries for a period of time. But eventually, the owner can just do monthly spot checks. Pick one day every month and review all entries. If a number of errors are found check a second day.

The other issue to deal with in delegating is making sure the person the owner picks to delegate to is ready and capable of handling the task. Start by giving small tasks. Always give clear instructions. In fact a good rule in assigning new tasks is, first time, explain the task and let them watch. Next time review the task (let them explain how they would do it) and have the employee complete the task with supervision. If this is successful, allow them to complete the task on their own next time. Obviously this procedure can be condensed or expanded depending on the complexity of the task. Always ask for feed back and then give feedback after the completion of a new task.

Initially letting go will be hard. But once owners start to let go, they will feel a new sense of accomplishment, by seeing employees starting to grow and develop. Not only does the employee grow, but it helps the company to grow, by relieving some of the owner's workload. The owner is now free to do other things to enhance the company. A win-win situation for everyone!

If you have a small business and have a question or problem that you think The YEBDC could help you with please call or write to: The Yellowhead East Business Development Corporation, Box 249, Sangudo, Alberta, T0E 2A0

1-800-556-0328 or 1-780-785-2900, e mail: yebdc@yebdc.ab.ca or access our Website at:
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