

# SAN FERNANDO VALLEY BUSINESS JOURNAL

\$2.00

August 1, 2005

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## Becoming a Strategic Business Owner

It is often said that small businesses are the heart and soul of America providing the ideas, innovation, and real growth in our economy. In the San Fernando Valley where more than 95 percent of all of our businesses are small (under \$10 million in annual revenues), thousands of new businesses are started every year with the hopes and dreams of their founders. Although some fail on their journey, those who survive are still faced with significant challenges each year. From my vast experience working with entrepreneurs, this is especially true of those less "schooled" business owners in business five or more years. As these less schooled, more seasoned owners fall victim to poorer entrepreneurial leadership due to reasons explained in this article.

Take my client who runs a small company providing computer technology solutions to his customers. Before we met, his company's sales were stagnant because he spent most of his time in the office rarely venturing out to visit customers and prospects. His marketing was as strategic and his leadership lackluster. And, he didn't believe he could take an entire day away from his business to participate in a program to work on his business. Today, following these simple principles below and those taught in our strategic marketing sessions, his results have dramatically improved. Sales are up 50 percent, he has more control over his time and his results, and his motivation level is like that of when he started his company.

Following these key points can help you to do the same.

### Face reality

Many owners start their business being that one person that does it all - product development, marketing, sales, production, customer service, financials, etc. Most can manage this

and even enjoy it in the first year or two but then things start getting out of control - too many hours, falling behind on schedules, missed deadlines, and eventually feeling trapped in your own business. You keep telling yourself that one-day you'll get caught up, slow down, and have more free time.

**Ask yourself: Are you an employee or a CEO?**

Being a good technician is an important role since that person must work "in" the business and take care of the daily details to satisfy customer needs. In fact this is a great job for an employee but not for a CEO. Unfortunately many entrepreneurs are technicians disguised as owners who never understand the value of training and delegating that role to employees.

**Ask yourself: Are you too busy to grow?**

Many owners confuse activity with accomplishment, busyness with results, and hard work with smart work. As the business grows they keep trying to shift into higher and higher gears, working harder and longer hours, and eventually becoming imprisoned in their own business.

**Ask yourself: Are you a leader or a doer?**

Far too many small business owners are by default small leaders and this costs them dearly. Instead of leadership they excel at doer-ship.



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They are micro-managers who like to control everything and seldom delegate. They believe "no one does it as well as me." Your business needs a clear vision and strong leader to hold others accountable, not another employee doing technical work.

### Develop a simple business plan and clear vision

Most businesses are started by someone's idea, hopes, and dreams. Eventually this ends up in a business plan, financing is established, and the doors are open. When the business grows and employees are hired the owner knows what and how he wants it to run but often fails to share this properly with others. Develop clarity of direction for your business by creating a simple business plan and effective implementation process. Everyone in your organization must know and share this vision.

### Strategic release - learning to let go

Giving up day-to-day control of a business is hard. Letting go of the reins can be scary and delegating can be a challenge. However you must yield control to gain freedom. Just as the employees need to be held accountable so does the CEO. Find a mentor, coach, or advisor and ask them to serve in this critical role.

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