

## A Leader Controls, Guides, Informs

01/16/06

My company has grown from a few employees to 16, and we'll add more this year. As the company has grown, my job has changed. I'm no longer the guy out in the field doing all the work. I have other responsibilities to take care of. One responsibility I want to learn more about is leadership. If I'm going to keep moving the company forward, I can see that I'm going to have to learn to be a better leader.

Great question for the owner of any growing business! The role of business owner changes dramatically, as the size of the business increases. Evolve your role as owner, or you stall the business' progress. Leadership is one key area on which to focus.

The dictionary describes leadership as guidance, direction, capacity to lead. A leader is one in charge or in command, one who has influence or power, a conductor as in an orchestra. What does that mean for the average business owner?

Think of your leadership role as direction setter, one who coaches, encourages, educates. A leader is a source of authority, control and influence. You guide, steer, direct, set boundaries, takes the organization forward from where it is, to where it will be. Let's look at how some business owners shift, from entrepreneur and doer, to leader of a growing, thriving business.

In privately held organizations, it is the owner's vision that is to be implemented. This starts out as the owner doing what he or she does best or loves most. As time goes on and the business grows, more people enter the business, and begin to do the work of the business. As more people enter, one thing that is often missing is a shared vision of where the business is going.

The owner assumes employees know what's in his or her head, about where the company is headed. Actually, this is often not the case. Without a clear set of written goals for the business, without a clear plan, it is hard for employees to get, and stay on the same page as the owner.

Owners need to spend time talking with employees about where they see the business going in the next 3-5 years. Some owners hesitate to do this for fear that they might make a mistake in direction setting, or fall short. They may have concerns that employees will doubt their ability, not like the plan, question the viability of the business if everything doesn't go according to plan, or find changes later on to be disruptive. Sometimes it is as simple as not having enough time in the day. Maybe you have hesitated to talk with your employees about where you plan to take your business. If you've hesitated to lay out your long term goals, and put your plans in

writing, take a minute to think about what's holding you back.

If you, as owner, are going to take charge as leader, your role will have to change from doer, to commander. You are, or need to be, in control of the organization. Through communication with your people, you must instill a sense of authority over the organization. Your ability to control where the company is going, and what people are working on is based on being in touch with individuals, managers and teams.

You need to make the time to inspect what is going on, to make assignments that will lead to the fulfillment of your plans, and to insure that people are carrying out your wishes. Your alternative is to continue as before, doing day-to-day tasks, and hoping others will follow your lead. That approach may work, but is much more subject to hit and miss. As you lead the way, you, as owner and leader, have to remember to look over your shoulder, to be sure others are following in your footsteps.

As an owner, you want to be clear about where the organization is going, and how you plan to get it there. You also have to set boundaries on what kinds of diversions will, and will not be tolerated. Being clear with employees as to what you want will likely reduce their level of frustration, as they are more on target with your expectations.

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The role of leader includes the ability to look beyond the frustrations and interruptions along the way. The organization takes its tone from you. If you are positive, forceful, clear, and focused, the people around you will pick up on that and follow your lead.

What happens when you're not sure where the organization should be in 3-5 years? Sometimes you have to just pick a direction for everyone to head in. Set some goals, and see how you do at accomplishing them.

Recently we measured results with a client, who, a year ago, had no idea what they wanted to accomplish in the coming year. We decided to set some stretch goals for revenue, increase in sales, savings, employee growth, and owner compensation. Just by being clear as to what they wanted to accomplish, they were able to look at how they were doing month to month. When they were on track, they kept going; when things were off track they looked at what wasn't working and made adjustments. By the end of the year, they ended up accomplishing 95% of everything they set out to do; the remaining 5% they had tested during the year and decided to discard as unworkable. The net result is that these two owners went from stalled growth for the previous 2 years, to moving the company forward at a pace they agreed to, with the support and

encouragement of their employees, just by putting their plan in writing, and taking time weekly to work the plan.

Looking for a good book? Try Leadership by Rudolph Giuliani. Here is a story by a man who was tested under the worst of conditions, and has a lot to share about what he learned from the experience.

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