

# SAN FERNANDO VALLEY BUSINESS JOURNAL

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## COMMENTARY

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# Reasons Why Some Owners of Firms Get Themselves Trapped

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Most entrepreneurs start a business with the best of intentions to achieve greater happiness, however they define it. Most want more freedom, fulfillment and financial success. Most want to feel the pride of being an independent business owner in control of their own destiny.

Unfortunately, after a few years, the entrepreneurial dream starts to warp into a partial nightmare. An insidious form of slavery sets in. The owner is trapped on the treadmill, working harder and harder but going nowhere.

As discussed in last issue's article, many business owners and managers feel like slaves to their businesses, employees and customers. They feel trapped working "in" their businesses instead of "on" their businesses. This article will focus on the common causes of business owner bondage.

Based upon my insights working with hundreds of business owners over the last 20 years, I believe five areas to be the most common causes of business slavery.

### **Technical Tendencies**

Habits determine destiny. Too many entrepreneurs are former technicians now masquerading as owners. They think they are entrepreneurs, but they don't act that way. As once accomplished technicians, they have a hard time letting go of such expertise and familiarity. They remain trapped in a technical comfort zone, mindset and work approach. Sadly, such technical expertise is insufficient for managing a business.

### **Busy-ness**

Many owners and managers confuse activity with accomplishment. They confuse busy-ness with results. Hard work with smart work. Perspiration with purpose. Instead of working smarter, many owners hold tight to the delusion that working harder and harder is the solution. The more the business grows, the harder they work, the more imprisoned they become.

### **Ineffective Leadership and Delegation**

Far too many small business owners are by

default small leaders. Instead of leadership, they excel at doer-ship. They are micromanagers that like to touch and control everything. They trust no one but themselves. They believe "no one does it as well as me". They seldom delegate, if at all. To lead effectively, one must trust others.

### **Inadequate Business Systems**

A vast majority of owners don't know how to design a new business or re-engineer an existing one to be more systems-oriented and professionally equipped with plans, procedures and policies. As a result, entrepreneurs don't create and document the processes (specific and repeatable ways to do something), procedures and policies that allow for well organized, smoothly running, easier-to-manage companies. Without defining and documenting the specific work that needs to be done, owners can't delegate effectively and eventually remove themselves from their technical roles.

### **Growing Business Complexities**

A growing business with its increasing number of customers, transactions and problems will eventually crush a business not properly designed and prepared to handle such growth. Without effective leadership and adequate business systems, a growing company does not stand a chance. Producing predictable and consistent results will be nearly impossible. By failing to plan for growth, you are by default planning to fail.

Busyness, technical bias, poor delegation, inadequate leadership and business systems, and the growing complexities of a business lead to a life sentence of working on the chain gang – your company.

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