

Jim's Profit Accelerator 117: The Dilemma of Delegation at the Top

Not so fast: If you're CEO of a growing organization, you are in this dilemma, likely daily. Delegation from the top happens whenever some responsibilities move from the CEO to one of her executives. It's inevitable with growth. This often hidden problem is the puzzle of expectations, of who does what, and of how to give a strong horse his freedom without finding him grazing in the field next door.

Here's the challenge: You've developed certain ways of working with your key executives and your information processes. That includes communicating objectives, values, and adjustments to maintain or improve performance and the like. When its time to transfer significant power, especially to a future CEO, or to a general manager, role confusion can be rampant for both of you.

SPEED BUMP: Sharing responsibilities takes more work than solving problems.

Here is a beginning framework to approach this question:

Yours/Mine/Ours. This is the quickest tool that I know about. It will help start the conversation and allow uncomfortable topics into the room. Here are the steps:

1. Each of you list your major responsibilities. Where boundaries are fuzzy, try to define them more clearly.
2. Put each item into one of these three categories:
 - a. Yours
 - b. Mine
 - c. Ours
3. Review your lists together, so that you both see each item in the same category. Some items may look like they are in more than one category. If so, put them into "Ours," and then clarify who does what as they come up specifically.

Goals. Often overused and buried in fuzz, goals defined as outcomes can clarify the rules of the game quickly. Here are some guidelines:

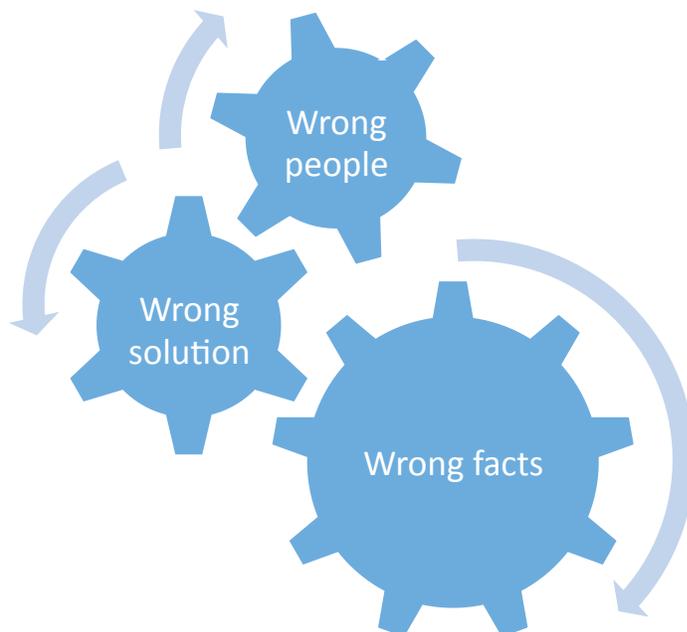
1. Three goals per quarter are plenty. No one can remember more than that.
2. Specific is what works. Goals are a number, either to be reached or to move toward.
3. Some discussion and definition ahead of time amp up their impact on behavior.

Measures. There should be two measures for each goal: quantity and quality. This pair is like shoes for each foot. Without a quality measure, output surges will kill quality and future sales. Without a quantity measure, you'll run out of cash quickly

SPEED BUMP: Most leaders think they lead with goals and measures. They don't.

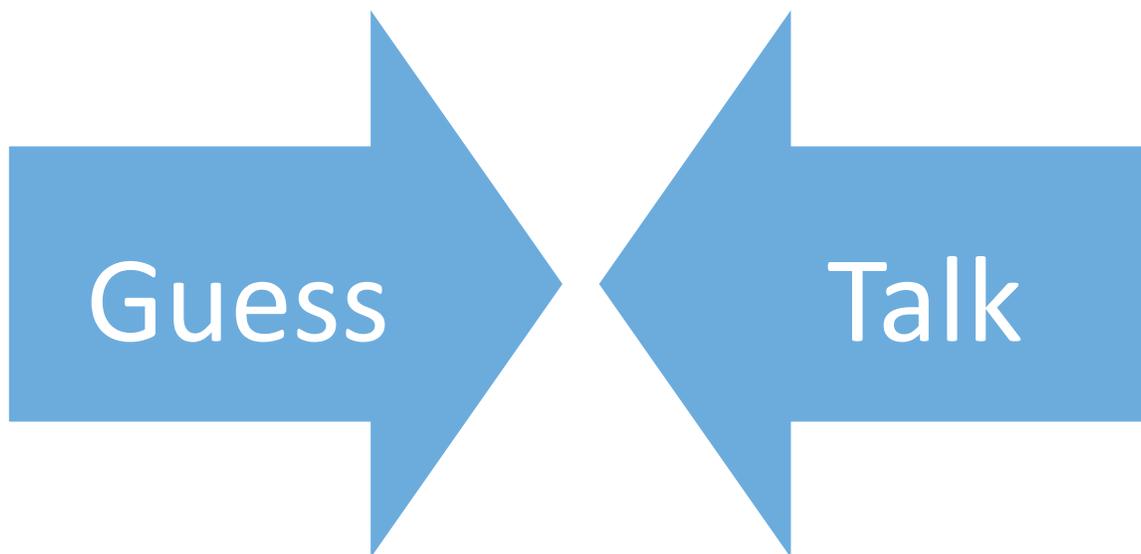
Weekly “How are we doing?” sessions. These are the most vital and most abused. This is a discussion about how things are and what can be done about it. It looks ahead, not back. Blame is a waste of energy, and it will drown the frankness that success requires. Most companies that I've worked with are weak to lousy with this tool, remarkably enough. The top three stumbles:

1. Don't know how they are really doing.
2. Can't collect the right people to go after a solution.
3. Chase the wrong solution (past rules, leader preference, act too soon).



The Unspoken Elephant. This is a belief that tries to predict what the other person wants or will tolerate—instead of simply asking. Usually if a person won't ask, his leader has made it costly to be wrong, so this one is on the senior person. As the military says, “If the student fails to learn, the teacher failed to teach.”

SPEED BUMP: Mind-reading is a failure of leadership.



ACCELERANT: Where can you clear up the fuzz with your subordinates?

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For more information, visit www.grewco.com.

Jim Grew, the Business Defogger and Accelerator, helps leaders discover hidden opportunities within their businesses and exploit them for dramatic results. Jim has led 9 businesses, worked in 31 companies at C-level, and is an expert in strategy and executive leadership. He presents regularly to industry groups, mentors business leaders, and shares insights in his Executive Letter (above). Jim holds BA and MBA degrees from Stanford University. In his new book, *The Other Side of Succession*, he shares how to plan for the future by growing your business now.

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