

What Leads to being in Business Prison?

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 unravel into a partial nightmare. An insidious form of being a prisoner sets in. The owner is trapped on the treadmill, working harder and harder but going nowhere.

They feel trapped working “in” their businesses instead of “on” their businesses. While we discussed the detrimental effects last time of such an approach to running a business and life, this article will focus on the common causes of business owner bondage?

Based my experience I uncovered working with business owners the most common causes of business prison: (1) technical tendencies, (2) busyness (3) ineffective leadership and delegation, (4) inadequate or missing business systems, and (5) escalating business complexity (5) lack of vision and clarity about where the business is heading

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. Moreover, they fail to develop the visionary, strategic, and leadership skills necessary to run a successful business.

Busyness:

Many owners and managers confuse activity with accomplishment. They confuse busyness with results. Hard work with smart work. Perspiration with purpose. Efficiency (doing things right) with effectiveness (doing the right things). Instead of working smarter, many owners hold tight to the delusion that working harder and harder is the solution. They keep trying to shift into higher and higher gears. The more the business grows, the harder they work, the more imprisoned they become. No matter how much energy you expend, however, wrong strategies inevitably lead to poor results – less freedom and more headaches. It is like trying to catch fish in a pond with your bare hands. No matter how many hours you work or how deep you wade, a poor strategy leads to poor results – no fish dinner!

Ineffective Leadership & Delegation:

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. Instead of thinking and leading like owners, most think and behave like employees. Instead of reflecting and planning, they excel at sweating and doing. They act like they have a job instead of owning a business. To lead effectively, one must trust others. Not developing their leadership potential costs them dearly.

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. As a result, owners are forever feeling “out of control”. Tragically, most entrepreneurs have unknowingly, reactively and accidentally created an owner-centered and owner-dependent company. They are trapped!

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 (an integrated web of processes), a growing company does not stand a chance. Growing pains are unavoidable. 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. Fortunately, with proper coaching and mentoring, along with your willingness to change, you can obtain your “get out of jail free card”.

Lack of Vision and Direction

Business owners need to be the visionaries of the business. They need to focus on where the company is headed and how it is going to get there. I equate to being a business visionary to a football game. You have to know your game plan to win the game; the players have to have direction on what to do, the position players need to know where they are going and how they are going to get to the goal line to score.

Here is the bottom line. Keep hope alive. You can escape the “business owner blues” and the tyranny of technical busyness. You can stop being the jack-of-all-trades for your company and start being the leader to win each day, month, quarter, year, and decade; otherwise you will be in “Business Prison”.

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