

The Number 1 Management Challenge

Often I am asked “What is the most common problem management challenge”. The answer might surprise you. Most often people think it is financing, profit, product or service, and resources. While those are challenging issues for every company no matter what their size is, the great test is management focus. This is the single deterrent to growth and survival.

Companies can get access to adequate financing through many sources. So getting adequate capital and maintaining sufficient funding for growth is not difficult, it just takes a good business plan, solid financial returns, and good relationships with your partners and institutions to help you satisfy the money ingredient.

Sure, managing a company for future growth through sufficient profit margins is crucial to preserving the financial health of a going concern. And while that’s not always easy, there is no rocket science in accomplishing the desired goal. We successfully work with companies to help achieve their desired profit goals. What about the services or products, you might say? Most people think that they are the reason the company survives and thrives or loses ground to competition. In the end, if you don’t keep current with the things or the services your company has to offer you may die.

Often we hear that getting and retaining talented people is the big one for a company. Yes, that’s true too. After all, your people are your greatest asset and source of potential business. And, too, they can just walk out the door. So keeping those gifted folks is important to the future viability of your company and is certainly a challenge.

However, the biggest stumbling block for any company is keeping management focus on their key business as well as maintaining the focus on managing. Yes, it all boils down to management. Clear and determined focus on the most important strategy or objective is the number one reason that companies succeed. And the converse is so true – when they don’t, they fail. So many may trip up and it usually is painful. The sad part is that it is too often fatal.

If you are the owner or creator, you probably initiated your company with a single focus on one or more of three things. You likely have a great innovative product or service, a passionate purpose, and/or a unique market niche. You avidly launched your company hopefully with adequate funding as a result of your focus. Then there are the details of running a company like hiring and managing people, client commitments to satisfy, financial risk and rewards, and more demands for your management attention.



These are the things that happen besides what you got you jazzed up about in the first place, right! Innovative originators excel at visionary parts of the business and in exciting others to join them. Usually they are not particularly good at running things, but someone has to do it. Add to this the belief that they have to do it all or the lack enough trust to delegate the operations to someone else. Worst of all, some creators hover over those they hire and supposedly entrust, chasing them away by suffocation.

As a creator, you have now diverted your time and attention away from innovation, product or service development, key client relationships, and resolve to be a visionary. You are the only one with the intensity and commitment to your passion. Now is the time to "fix" the problem before you get into trouble. You had a grand start with immense ideas, passion, product, and market position. Now you must continue to concentrate on your vision and apply your delegated most talented resources to achieving your objectives regardless of what gets in your way. How are you going to do that? By focusing on your vision, planning your business approach, hiring the right exceptional people, and running your business with the talented people you trust.

Keep your focus on being the visionary you are. Decide what you want your company to become and center its daily activities on achieving that. It's not about making money. It's about why you started this business in the first place. If you are crystal clear in your direction and are solid in conveying that to everyone in your company, you will stay on the mark. Create a solid plan. Identify in detail, on paper what your business approach is. The objectives and strategy of achieving the objectives should be identified so that everyone who reads them can understand. Now go hire good folks with that in mind.

Bring in the most talented, motivated, knowledgeable people you can find. When you hire the best, they will identify with your objectives and can shore up where you are lacking talent or time. You can trust them to manage the operations that will allow you to remain the visionary. Be generous in your remuneration and expect only the best. If they cannot deliver what you clearly identify, then get people who will.

Manage. Manage to let the talent you bring in center their attention on what they do best. Managing the operations. Recognize they may not do it in the exact manner that you would, but they may still achieve exceptional results and you can remain focused on your job. The key to the number one challenge is for you to stay on point and leave the details to those who you have entrusted.