



OCTOBER 2017

THE BUSINESS NEWSLETTER FROM AUSWILD & CO
PO Box 527 Kogarah NSW 1485
Chartered Accountants and Business Consultants

Website: www.auswild.com.au
Telephone: (02) 9588 0100
Facsimile: (02) 9588 7865

DELEGATION 101

Do you continuously work long hours? Are you perpetually tired? Do you find it hard to fit all the tasks you need to do into your day?

One thing you should understand as a business owner is that you can never be all things to all people. You should trust your people and give them more responsibility. Delegate some of your tasks to them. Identify the repetitive low-value tasks in your business and if you can't delegate them, outsource them. Focus your time where you can add value to your business and customers.

Running a small business isn't a job; it's twelve jobs – or more. The typical small business owner who doesn't delegate is his/her own manager, marketer, sales person, PR specialist, product or services developer, fundraiser, bookkeeper, human resources department, receptionist, secretary, and gofer. Some even serve as their own accountants and tax preparers.

And all of these jobs are in addition to what you actually got into business to do in the first place.

Shuck Some Hats and Delegate

No matter what stage of development your business is at, you don't have to wear all these hats and perform all of these tasks yourself.

Learning how to delegate means learning how to hand some of the hats you now wear to other people who will wear them in your place.

And handing off some of your many hats means that you will have more time and energy to focus on what it is you do best and want to do most – which will translate into increased success for your business.

The Fear of Delegating

Don't let fear prevent you from delegating!

Some business owners are afraid to "let go" of a particular task and delegate it for what they consider to be good reasons. For example –

- It takes too long to explain
- My employees resist responsibility
- It's easier and quicker to do it myself
- My employees lack experience and/or competence
- If you want it done right, it's better to do it yourself
- No one on my staff is quite capable of doing the work
- My employees won't like it if I expect too much of them
- I can do the work better than anyone else
- My people are already overworked. I can't overload anything on them

These are myths. People who make these kinds of objections or excuses to delegating are really afraid of losing control. It's important to realise that you don't lose control of a task just because someone else is doing it. You still have the final say.

The Cost of Delegating or Outsourcing

Think of all the different business-related tasks you perform in a single week. List them if you need to, or look at your records to determine how much time you're spending on different types of tasks. For example, how much time did you spend bookkeeping?

Tally the number of hours you spent in that particular week on bookkeeping tasks. Now think about how you make your profit. What do you charge to deliver the service you provide, or how much product would you sell in that time frame?

If you spent ten hours on bookkeeping tasks a month, and you charge your clients \$100 an hour to use your services, those ten hours on bookkeeping have "cost" you a potential \$1,000. Now extrapolate; how much does doing that particular task yourself cost you over the course of a month and a year? In this example, doing your own bookkeeping costs you \$1,000 a month. The bottom line says that you can't afford to keep doing this!

Remember that cost is relative. For example, is your doing all your own bookkeeping interfering with the time you would like to spend with your family? If your answer is "yes," then the cost of delegating is well worth it for you.

Tips on How to Delegate Successfully

Set your fear of delegating aside. Just because someone else is doing it, doesn't mean that the job won't be done just as well as you would do it. In fact, sometimes the job will be done better, because that person is a specialist in that particular field.

Be creative when you delegate. Some jobs don't need to be filled by other people, or even filled at all for a period of time. For instance, tasks such as promoting your website can be performed by software. Tasks such as developing a new product may be put on hold for a specified period of time while you regroup. Some services can be delivered part-time.

Look at your "whole life" when you're choosing tasks to delegate. Sometimes delegating tasks in your personal life makes more sense economically or personally than delegating a particular business task. For instance, it may be much more inexpensive for you to hire someone to mow your lawn or do your gardening or mind your children than hire someone to design a marketing plan.

Managing your business means being able to delegate and appreciate that there are other performers who will do some of the many tasks that need to be done just as well as you could do them.

ausNEWS! ausNEWS! ausNEWS!

CONGRATULATIONS to **Les & Barbara Oakman** who celebrate their 50th Wedding Anniversary this month..... Our **CONDOLENCES** to **John Parker** and family of Colac on the recent passing of **Betty Parker**.....This month we **WELCOME** to the Auswild Team, **Brittany Burley**. Brittany is our graduate recruit and comes to us having previously been employed by the Bonnie Doon Golf Club.

Important: This is not advice. Clients should not act solely on the basis of the material contained in this bulletin. Items herein are general comments only and do not constitute or convey advice per se. Also changes in legislation may occur quickly. We therefore recommend that our formal advice be sought before acting in any of the areas. This bulletin is issued as a helpful guide to clients and for their private information. Therefore it should be regarded as confidential and not be made available to any person without prior approval.