

The Top 10 Mistakes Managers Make and How To Avoid Them

1 Over Promising

In management as in any relationship trust is paramount. It is the most important thing. It really sets the stage for whether or not you can really rely on someone to do what they say they are going to do. I know that if someone lets me down even once with a direct promise, I no longer trust them to come through. You know, fool me once shame on you, fool me twice, shame on me. People that always come through are valuable, but also valued. Everyone wants to work with people like that.

So the key is never to promise ANYTHING unless you are 100% sure that you can come through. Be very stingy with promises. It sometimes seems like the easy way out to say yes to something to get someone off your back. But if you are unwilling to unable to come through, you need to say no right up front. It seems more harsh, but in the end it is far more kind to them and far better for you and your reputation.

This leads nicely into the second principle:

2 Misplaced Motivational Policies

Bonuses, and promises of advancement, raises or greater things in the future are easy to make and you really look bad when you don't do it. What is even worse is putting something into place and then taking it away.

The best example I have seen lately was a strike in a European brewery because management eliminated the long standing right of the workers to drink as much beer per day as they pleased. Limiting it to 2 beers per day at lunch time created a furor. As they said in the article they violated the number one rule of motivation; you can give a cookie, but you can't take it away.

That is why bonus plans are critically important to think out, as any unintended result may be almost impossible to fix without major revolt.

3 Not Understanding The Owner's Desires

Let's face it, if you are a manager, your role is to manage something for someone. If you are not an owner, you need to learn to think like one if you expect to have any reasonable chance of pleasing the owner. Spend the owner's money as carefully as you would your own. Every cent you spend should be looked at as an investment that pays back more than what you are spending. That includes rent, salaries, equipment, supplies, new technology, etc. Look for ways to improve the



profit of the operation constantly. That is ultimately the only thing that justifies your existence as the owner is looking at your salary as an investment and wondering if the investment is paying off or not.

4 Lack Of Follow-up

So many times we ask someone to do something, they agree and we think that item is done. Yet so often we realize some time later that it never got done and now something is in a mess. Often you look bad because you told someone else that it was done and now they see that it was not.

A good manager is vigilant in monitoring not just their own promises, but also those of others that they are responsible for because a manager is also responsible for the people that report to them.

You need a system to never lose track of a request so that you can go back and check ALL of the things that were supposed to have been done.

5 Advertising Instead Of Marketing

A good manager probably thinks they are doing well by placing some ads to try to generate some business. And in a general sense that is true. Especially if you have some proven ads that have worked in the past.

The real issue though, is what are you advertising? What do you have to brag about? In what way is your office a better choice than a local competitor? A good ad has something good to say. That good thing is your marketing; it is your edge; your unique selling proposition. Make sure your ads highlight your marketing (your advantages), not just your name, address and telephone number.

6 Working Without A Plan

A plan indicates some forethought and choosing some options against all others based on your collective strengths, the market you are in and your capacity. To make a plan you need to figure out where you want to be and then the plan is the map that takes you there.

The best managers budget and constantly check their actual results against their budget or goal.

If you wait till month end or God forbid year end to see if you made it, it is too late.

7 Not Embracing New Ideas

If you find something to improve efficiency you should do it every time. There is an expression that goes something like this: money loves speed. If you get a good idea, act on it now, or it will be gone; only to be replaced with the next great idea which also fades away and next thing you know another year has gone by and you have not progressed.

Be bold and grab the great ideas and use them.

And don't worry if it costs money if it makes or saves you even more money! That is called an investment. I always wondered how those big companies could pay billions for another company until I discovered that over time that acquisition made them many more billions than they spent.

Think like the big guys; if you see something that looks like it would fit, go for it. If you try 20 ideas, probably 5 will be fantastic, 10 will be okay and 5 will be duds. But you have to try all 20 to find those 5 great ones and don't sweat the 5 that fizzled.

8 Micromanaging

Micromanaging is focusing on small, sometimes insignificant issues when there are large macro issues that need attention. For example if your house was on fire, would you quickly vacuum before leaving the building? Obviously not, but that is how far off base some people's focus seems to be to me.

I was in a consulting situation where the business was so busy they were turning away business, and instead of finding a way to accommodate the extra easy profit, they were focused on trivial issues, redecorating the waiting room, excessive documentation of meetings, etc.

Take care of the big issues first. Some of the small issues may never even need to be dealt with.

9 Failure To Delegate

The easiest trap for a manager to fall into is simply doing everything instead of sharing the load. It is often easier, quicker and more accurate to do it yourself, but if you continue to do that, no one else will learn to do it. Let them learn, make mistakes, and eventually get it right. You will be swamped if you insist on always doing it all, and you will never build a true organization that has the depth to grow because

you can only do so much. If everything has to go through you, then you become the bottleneck in the organization and whole operation can only go as fast as you can process all your stuff. If you can automate something which is really delegating to a machine that is ALWAYS best, because if a machine can do it, once properly set up, it will do it perfectly forever with never a complaint, a sick day or throwing up at the staff party.

Staff costs are your most expensive expense; anything you can do to reduce that cost will pay you back month after month after month.

And all this delegation leads to the greatest of all management mistakes:

10 Not Managing

So what do I mean by that? Well, when you are swamped in paper reports, payroll entries, month-end, year-end, balancing numbers, etc then you must not be working on improving the business. A manager needs to manage.

A manager needs to get away from their desk and see what everyone is doing. A manager needs to develop excellent systems, and then carefully manage and nurture them so that they get done every time consistently.

A manager needs to be providing feedback mechanisms to their employees so they know how they are doing. This feedback should also be automated, and the manager should go over the results one on one.

A manager should be doing extensive training constantly with all staff so they all perform at a high level at all times.

A good manager should also be meeting the owner regularly to keep in touch with big picture changes.

Summary

These are all fundamental principles for any manager at any level.

I should point out that the Automated Manager will help you in numbers 3,4,6,7,9 and 10.

The best way to set your office apart is to automate so that you can deal with staff and customers. It will make you a superstar manager compared to all the paper pushers out there who think they are doing 'management work' in isolation in some back office somewhere.



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