

# EXECUTIVES vs. SMALL BIZ OWNERS

By: Ryan Addis December 4, 2007

Isn't it amazing how a person's career is often validated by their affiliation with a large company or the privilege of graduating from a prestigious university? It is as if hiring a person from this group will spread some of the "Midas touch" around a new firm. Alternatively, it can also be disastrous to let the brash and precocious entrepreneur run loose in the large firm. After all, he often does it "his way" and may have little schooling on professional management techniques. I am stereotyping of course, but what are the favored characteristics and flaws from both groups? What is it that will actually help these groups be winners in the game of business? I have had the privilege of working in both large and small businesses and I objectively share my observations with you.

Executives often have the prettiest PowerPoint presentations I have ever seen. This group can put together amazingly complex spreadsheets and reports that would cost a small business their entire revenue stream. The Executives also know teamwork and often sit on several cross-functional committees. For as strong as these Executives are in these areas, it is often the company's scale and business model set-up by its founders that carry the weight of so much administration rather than a direct return from their efforts. Executives often put fires out and deal reactively to "manage" the ship rather than steer it. I have met several Executives over the years that have held a skewed perspective on the significance and impact of their contributions. In addition, many have never run a business and have not developed a cunning instinct for business as much as a set of internal cultural beliefs from their career. This limited view of the "big picture" often leads to waste, mediocrity, politics, and a focus on "career" rather than "business".

The Small Business Owner on the other hand can have amazing laser-like focus on what moves the business and what their customers really want. Good Small Business Owners can be aggressive, decisive, and visionary in many regards; constantly propelling their companies forward. There is something to be said for a manager that could go personally bankrupt if he makes the wrong decision on the job. However revered these icons are, they often run into problems evolving into sustainable organizations beyond their own persona. Mistakes can be made from being a little too aggressive and by not surrounding themselves with great talent.

So who wins - Executives or Small Biz Owners? As you can probably tell, it's neither and it's both. The best managers have the ability to combine multiple perspectives, to understand the big picture, to be decisive, to derive a vision, to effectively communicate it, to manage people, and to execute. At the end of the day, these leaders are just people. Regardless of background, they may have developed a well balanced set of professional management skills. So, if "validating" a prospective employee's skills, it would be wise to look past their prestigious titles and how many or how few employees were at their last company. Instead, you might evaluate a person's character and values first and then their conceptual and functional skills that will drive the business and not their egos!