



Hi, this is Steve Rucinski of the Small Business CEO weblog which can be found at www.smbceo.com.

Today's topic is:

Delegation in a Virtual World

In the world of today's microenterprise world where many times there is only one person actually in the business delegation takes on a whole new meaning.

Typically even a microenterprise has to perform the same functions as a larger business but they tend to use outside suppliers and partners to perform and manage those functions.

For example: Most of us don't host our own websites or email or e-newsletter systems, we delegate that to an outside provider.

If we process credit cards we might use Paypal or another merchant account supplier along with our bank.

Almost all of us outsource our legal needs to a local firm or possibly even one of the new online legal firms that provides legal support for a fixed monthly subscription fee.

Many of us outsource various marketing functions, like public relations, offline communications like brochures and advertising or probably even some online items like banner design, web design and copywriting.

Ok, I just listed IT, Finance, Legal and Marketing as quick examples of the type of work we are already delegating to others. So we don't have employees to delegate to we are still doing plenty of delegating.

So how do we insure that we can choose and use outside providers effectively?

I like to use what I call the 3 C's, Capability, Credibility and Cost.

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Credibility: Of course you have to make an effort to identify suppliers of external services, how most of us start is asking our friends and business associates if they know someone. We all tend to place higher value on those who we are referred to. Of course that doesn't mean that the entity referred will work for you. After all if a lawyer of a big firm refers you to a marketing person how well does he understand your actual needs? He works in a big company his referral may not be very accurate, but most of us will at least have a conversation with the referred party

That takes me to another of my C's, Capability. Regardless of how you find a supplier of course you want to understand their capability. After all you are literally going to place a piece of your business success in their hands. Because of this be sure to take the time to seriously evaluate their services, get references, ask for a trial use, in other words do some serious due diligence. You may be talking about what will turn out to be a pretty lengthy relationship. Finally, trust your gut, do you like the people, would you enjoy working with them, do they seem to be service oriented?

Finally the last C, Cost. Many times I have been penny wise and pound foolish. To save a dime I choose a supplier of some type that my gut tells me might be a problem but based on being frugal I decide to give the supplier a try only to have to start all over and spend the time to find a new one. The opportunity cost I incur is almost always much greater than the savings I might have achieved with the first supplier.

I hope this helps you in some small way, it is not an exhaustive lesson in how to do service provider delegation but I just wanted to help you add to your toolkit of effective delegation in our virtual world.

Until next time have a prosperous day, this is Steve Rucinski of The Small Business CEO.