BUILDING A LEADERSHIP TEAM

Hiring your first managers, handing off responsibility, and building a team that can run the business without you.

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AT A GLANCE

- Growth eventually requires **leaders**, not just more workers: people who own results in their area.
- Hand off **one area at a time**, with clear goals, authority and support.
- A business that runs without the founder is **more valuable** and much easier to fund or sell. See **X-04 Getting Your Business Ready to Sell**.

Why it matters

There's only one of you. Past a certain size, the business is limited by how many decisions you can make in a day. Building a leadership team multiplies what the business can do, and gives you room to focus on the biggest decisions.

Which roles come first

It depends on your business and your strengths. Common first leaders:

Role	Often first when...
Operations or general manager	You're stuck in daily operations
Location or shift manager	You have more than one location or long hours
Sales or business development lead	Growth depends on landing more customers
Bookkeeper, controller or fractional CFO	Finances are getting complex, or you're raising money
Marketing lead	You've proven demand and need to reach more people
Technical lead or CTO	You're building technology

TIP

Fractional or part-time leaders, like a part-time CFO or marketing director, can bring senior skills at a lower cost while you grow.

Promote or hire?

- **Promote from within** when someone knows the business and has shown leadership. Train them for the new role.
- **Hire from outside** when you need skills no one on the team has.

Handing off well

1. **Define the area** they own and what success looks like, with numbers.
2. **Give real authority** to make decisions within a budget.
3. **Hand over the systems** and teach them. See **O-06 Systems and Checklists: Running the Business Without Doing Everything Yourself**.
4. **Meet weekly** at first, then less often as trust builds.
5. **Let them do it their way**, as long as results and values hold.
6. **Reward results**: pay, bonuses tied to goals, or, in some companies, ownership.

> EXAMPLE
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> **Marisol** promoted her best cook to kitchen manager, gave her a budget and three goals (food cost under 31%, ticket times under 12 minutes, zero health violations) and met weekly. Within six months, Marisol spent her time on the second location and catering sales, while the first kitchen hit all three goals.

Common mistakes

- **Hiring a leader, then not letting them lead.**
- **Promoting the best worker** without leadership training.
- **Vague goals** with no numbers.
- **Waiting too long** until you're burned out.

Your checklist

- ☐ List the areas you personally run today
- ☐ Choose the first one to hand off
- ☐ Write the role's goals and authority
- ☐ Decide whether to promote or hire
- ☐ Plan weekly check-ins for the first 3 months

Where to go next

- **O-05 Managing Your First Team**
- **G-14 Hiring Plan Worksheet**
- **X-04 Getting Your Business Ready to Sell**

IMPORTANT
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