



Balancing act

Execs at smaller businesses have a hand in everything, and a new study shows their companies are better for it

By Sheena Harrison

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As president of Farmington Hills-based consulting firm **Marlowe and Associates Inc.**, Alita Marlowe's job description includes managing employees and setting policies to help the company grow.

But with only one administrative assistant on staff to help her run the company, Marlowe said she has to take on many other roles to help her business survive.

"If that means doing something different than what's in your job description, you've got to do it," said Marlowe, who also does human-resources management, marketing and even publication design for her business.

Small-business executives such as Marlowe are more likely than those at large companies to take on tasks outside their job descriptions, which can help them perform better than executives at big firms, according to a study released earlier this month by Ann Arbor-based **eePulse Inc.** in collaboration with the **University of Michigan's Ross School of Business.**

"Long-term performance and long-term competitive advantage improve when you have an employee environment where people don't just sit there doing their jobs," said Theresa Welbourne, an adjunct professor at the business school and CEO and president of eePulse.

Welbourne and her colleagues interview business executives for a survey called Leadership Pulse, and the results are studied to determine factors that help companies grow.

Last fall, 379 executives participated in a study that measured how often they go "above and beyond" their job roles to make their companies successful. Their companies ranged in size from 10 employees to more than 5,000 employees.

The study found that executives at firms with fewer than 500 employees spent about 43 percent of their week doing tasks directly related to their jobs, compared with 48 percent at larger firms.

A similar percentage spread is seen between companies of all sizes that were considered "high-performance" in the study versus companies that had average to low performance. Executives at high-performing firms spend about 44 percent of their week doing tasks directly related to their jobs, compared with 50 percent at firms that don't perform as well.

Less time spent only on specific job tasks means executives are often helping the company in other ways, according to the study.

"We found that employees (particularly high-level executives) in successful companies spend less time than their peers focused on their particular job, and more time focused on the team, being innovative and thinking strategically about their organization," the study said.

Executives at smaller companies also spend more time than those at large firms in other ways that were considered positive by eePulse:

- They spend 20 percent of the week in an "innovator" role, such as bringing new ideas to the firm or finding ways to do their job better, compared with 17 percent at larger companies.
- 13 percent of the week is spent positioning the company for success, compared with 11 percent at large firms.

- 8 percent of the week is spent furthering their careers, compared with 6 percent at large companies.

Welbourne said the study shows employees at smaller companies often have to share responsibilities to help the business succeed.

"It's really more ingrained in them that you have to do these other things," she said.

Michael Rogers, vice president of communications for the **Small Business Association of Michigan** in Lansing, said it's reasonable to expect that small-business success would be tied to the various roles that its executives serve.

"If their livelihood, their identity, their hopes for the future are tied up in the company, they're going to wear a lot of different hats to make sure that company is a big success," Rogers said.

Having executives who are involved in different aspects of a business can provide an advantage, said Rich Sloan of **StartUp-Nation.com**, a Birmingham-based company that advises small-business owners.

"It makes you acutely aware of the many aspects of the business and therefore gives you a better world view, which helps you make better small-scale and large-scale decisions," Sloan said.

But both Rogers and Sloan caution that being involved in too many areas can take away from a business.

"A lot of small-business CEOs run into problems, due in large part to the fact that they have to wear many hats," Rogers said. "It's hard for them to do any one task, even if that task is essential to the success of the business."

While Welbourne agrees, she said companies should decide which sorts of tasks are important enough to allow employees to work outside of their core responsibilities.

"We all get frustrated with sidetracking," Welbourne said. "But if it's chipping in on a new client or new technology, that gives us a competitive advantage."

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