Owners hand off the work but keep the decisions

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Many owners have long since handed out the work but kept the decisions. Day to day, that costs speed. A handover shows how much the company depends on one person, and in many firms that moment is close: in 2025, 57 per cent of owners of German small and medium-sized firms were 55 or older.

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Monday, just after eight. The owner of a 30-person company is back after two weeks away. Of 60 unread messages, many start with “Quick question before I go ahead”. A quote for a regular customer has sat finished for nine days because nobody felt able to approve the discount. A supplier order sits prepared and unsent. The team kept working for two weeks. Almost nobody decided anything.

The scene is invented but typical. The work has been spread around, the authority has not, and the company still depends on one person. While that person is in every day, hardly anyone notices.

Where delegation stops

Handing a customer account to an employee hands over a task, but does not settle how large a discount she may grant or when she has to check back. Without that agreement she asks, and she is right to: anyone who decides without clear authority is on their own if it goes wrong.

So the question goes to the owner, who answers it because that is quicker than writing a rule. The next day the same question comes back. The company grows around its owner instead of beyond them. It has little to do with character. Usually nobody agreed who may decide what.

What the succession data shows

The dependency tends to surface when the owner wants to leave. According to KfW Research, part of the German state development bank, 57 per cent of owners of German SMEs were 55 or older in 2025, more than 2 million people. Twenty years earlier the share was 20 per cent. Around 545,000 German SMEs intend to arrange a succession by the end of 2029, while 569,000 owners plan to close their business rather than hand it on. The biggest obstacle is finding a suitable successor: 69 per cent of all German SMEs see it as a hurdle.

The German Chamber of Commerce and Industry (DIHK) analysed the succession advice its regional chambers gave in 2024. Among firms providing personal services, the chambers often see businesses strongly tied to their owner. In smaller firms, the report says, the owner’s knowledge is often lost at handover unless prepared for. Where responsibilities are not clearly split between the outgoing and incoming generation, the old guard may keep interfering, and the company becomes slower in its decisions. The chambers judged 38 per cent of advised owners poorly prepared because they started too late. Three quarters sought outside help only two years or less before the planned handover.

These figures do not measure delegation. They show where unsettled decision rights end up: at the negotiating table, when a buyer asks what works without the current boss.

Why owners hold on

Some decisions rightly stay at the top, such as major investments or long-term contracts. Many others stay there out of habit, because the owner has made them for years and knows the customers personally. Working style plays a part too. People who love building things often struggle to let go of the result. People who sell tend to keep customer relationships close. The DIHK also points to the emotional side: according to the chambers, 28 per cent of the owners they advised struggle to let go of their company.

Five steps for next Monday

1. For one week, log every question that reaches the owner, with who asked and about what.
2. Pick the most frequent decision and set a limit, for example an amount up to which the responsible person decides alone.
3. Write down when that person still needs to check back, and tell the whole team.
4. For each decision the owner keeps, write down the reason. A decision without a reason is a candidate for handing over.
5. After four weeks, review which decisions were made without a question and where the limit was unclear.

A simple test: what would stall if the owner were unreachable for two weeks?

One approach: start with how the owner works

CORE Navigator, a digital assessment for entrepreneurs and business owners, starts with the person, not the org chart. After a free QuickCheck, a personal CORE profile describes the owner’s own way of working, including how they make decisions and lead. Sprints & Checklists turn this into individual steps in day-to-day work. CORE Navigator is planned to launch in 2027; until then, a waiting list is open.

> **Ten times 60 percent from others beats 100 percent from me once.**
>
> Joram Höfs, founder of CORE Navigator

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