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NO RISK.....NO GLORY

KNOW RISK.....KNOW GLORY

Many shop owner's today are finding it very difficult to stay "on top" of their business game, that is, the pace of change, and the depth of detail required to look after a successful enterprise, seems to be a heavier burden every year.

This "stress" can easily place Management into various "corners", from time to time, which in turn forces him/her to do certain, un-tested/un-chartered, business maneuver's because "results", "cash flow", and/or "quick profits" are needed.....now.....but under closer scrutiny, the "perceived glory" resulting from their actions, seemingly outweighs their "misunderstood risks".

For example: Consider that a competent technician would not install a wrong part on a vehicle because obviously the part would not fit or work, or if a "make-shift"/ "will-do for now" part was installed, it would soon fail resulting in a comeback, shop downtime, and lost customer/client credibility. He/she knows the "risks" for doing a job wrong, and fully knows the "glory" for doing the job right.

In business, "Management" must also know the risks, and know the glory, from his/her decisions. Usually, when business is slow, and an owner/manager is pinned in a "corner" to achieve certain financial objectives, or bills are past due and cash flow is needed to pay them now, or a profit opportunity arises that under closer examination is questionable from an ethics perspective, decisions are being made without thought, or regard, to the long-term consequences. For example a low price based business (always having a sale, marketing cheap labour rates to create a "volume" shop) must give up something in the service/quality aspect, as you can only run a shop today based on "price/service/quality"..... pick two. This in turn, ends up leading to a lousy customer/client base, and/or lost client credibility, not to mention missed profits to the bottom line for not retaining the client "for life" and getting all their work required, all because you didn't have the time to do everything right in the first place because the volume customer is at the door waiting for their turn. You are now too busy to make any net profit. Management took the risk today (low price instead of the right price) to achieve perceived short-term glory (quick cash flow but no net profit), and truly didn't/doesn't know the risk, or know the missed glory lost in the long-term for their decisions made.

The first step is to slow down, and take a deep breath. If, for example, you are behind in your monthly statement, **enhance your "relationship"** with your supplier, and discuss a game plan with him, or her, to resolve the problem, and **then keep true to your word**. Don't change suppliers thinking you can spread the debt around which in turn you perceive will buy you some time. This will fail. You obviously have a profitability and/or cash flow problem, so address it head-on. Do the math, discover your business weaknesses, and you will find, with discipline, the problem(s) can be fixed in a shorter period of time than you may think. Math doesn't lie, your emotions can. Know the risks for not taking the right course of actions in your business, but know the glory for properly managing today's business affairs.

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