



11 Things That Can Undermine any Business

1. **Lack of funding** – not counting or anticipating the costs – in advance. One of the top reasons most businesses fail. Many entrepreneurs have great ideas; however, these ideas require a certain amount of capitalization to fund equipment, staff, facilities, and marketing. Also you have to have funds to support yourself while you are building the business. How often do we hear of businesses that never get off the ground due to a lack of support for workers, no money for advertising, or to poor planning?
2. **Insufficient knowledge of your business** – “Ignorance is bliss!” However, this does not apply to a business. You do best what you know best! This builds confidence in your customers and the people walking through your doors!
3. **Not focusing on the right market for you** - As a previous printing business owner, I went after the school yearbook business in my city. I thought it a great idea for some repetitive business. I did not anticipate all the problems that go with working with middle school and high school yearbook advisors. Big mistake! It just was not the right market for a small printing business with only 2 workers.
4. **Keeping inaccurate or incomplete financial records** – Not knowing where your money is going is like a blind person trying to negotiate thru a maze. Poor accounting cannot give you a proper assessment of your business’ financial status. Poor planning, poor record keeping, and inaccuracies will cause you to make poor decisions. Poor decisions can lead you down the wrong path, divert your attention from the most important financial issues, and soon you are wondering where all your money went!
5. **Trying to cheat the government** – Many businesses think they are too small for the government to notice if they file an incorrect form or falsify a financial document. This is a shortcut to major financial disaster!! Not recommended in any situation. They will catch up with you and the consequences are dire.
6. **Taking shortcuts** – Cutting corners, lowering standards, “saving a buck,” and short-changing quality services and products will drive your customers to your competition.
7. **Not minding the little things** – Termites - those almost invisible creatures can completely destroy a buildings’ foundation and structural integrity in such a short time! Likewise, a business’ integrity and its’ success can be undermined by seemingly small things – whether from poor choices or financial indiscretions, or just not watching out for the small expenses that can erode financial stability and profits.

8. Not providing a marketable product or service – “Lemons” are what we call defective cars that drive us crazy. “White elephants” are what we call things we purchase that are useless. “Wasted” is what we call the money we paid for the “lemons, and white elephants!” I worked my way thru college selling “Extended Service Policies” for Montgomery Ward home appliances. (Tells you how old I am!) I did not last long! I

had a hard time selling a policy that would cover you for something that was already covered by the manufacturer. Some people loved them, I didn't like selling them!

9. Being out of touch with current trends and market directions – Keeping your finger on the pulse of markets and trends is vitally important for any business. Imagine yourself as an owner of a buggy whip company when the automobile hit the scene. Whatever happened to the 8-track tape players??

10. Looking only at the short run – not the long term! Or another way to say it: Focusing on the minors, not the majors! Keeping the goal always in your sight is a must for business owners. Businesses can get bogged down in the day-to-day operations that they can lose sight of the bigger picture. A careful balance is necessary when comparing short term needs with long term investment strategies. Perhaps there are items or programs that will need to be put off, delayed, or put on the back burner in order for continued progress.

11. Burnout! How many businesses can you name, right now, that are no longer in business because the owner suddenly just quit? How many times have you started a project, put your whole heart into it only to walk away and throw up your hands in despair? Many are due to burnout! That place where you have given everything you can possibly give for so long that the well is now dry – the embers of the fire is now extinguished – the last ounce of strength is now expended! The dream has died! Burnout!

If you are feeling this way, please seek help immediately!

There are many, many issues to consider with any business or organization. ***Long term goals, visions, and dreams, cannot remain clear if constant attention is paid to irrelevant or minor issues.*** It is the matter of “Not seeing the forest for the trees!” Keep focused on the major elements leading to success and project completion.