

FOCUS ON THE POSITIVE:

Or, how to get on the ship that isn't sinking.

It's Thanksgiving time, which means everyone is focused on things to be grateful for.

Maybe it's friends or family.

Maybe it's a roof over your head.

Maybe it's a yacht that's exactly one foot longer than your neighbor's.

Whatever it is, people seem to be good at focusing on the positive this time of year.

Unfortunately, this doesn't always extend to business.

A TALE OF TWO PRODUCTS:

Say you have two product lines: Product A and Product B.

Both have a similar profit margin and opportunity for expansion. Product B is really limping along. It hasn't been able to get any traction. On the other hand, Product A has found a foothold and is doing well.

If you're like many business owners, you're caught up in Product B. You're spending time and resources trying to figure out why it's not working. You're tweaking it and stressing about it and trying to elevate it to the same performance level as Product A.

In other words, you're focusing on the negative.

We've actually seen business owners in this scenario pull superstar employees from the Product A team and send them to work on the Product B team to "fix" Product B.

Meanwhile, the golden child, Product A, is humming along, being ignored because it's not the squeaky wheel. [Beware: even a golden child can get squeaky if it's ignored for long enough.]

We've talked before about knowing when to cut your losses, but there's more to it than that. It often takes a lot more money and effort to solve a problem than it does to capitalize on an opportunity. And make no mistake about it: the fact that A is selling better than B is an opportunity.

If you have \$50k to invest, the ROI (and your bottom line) would probably be bigger from growing Product A than it would be trying to fix Product B. And putting your best people on suffering teams only means you will probably lose your best people.



Product A



Product B

SET A COURSE FOR SUCCESS

Use this time of year to review your revenue lines. Be thankful for the stuff that's working. Invest in it. Be thankful for the team that helped you make those things work. Invest in them. Be thankful for the customers who are keeping you in business. Invest in them—and acquiring more like them.

When we encourage you to focus on the positive, we don't mean that you should ignore your problems.

If you're not entirely clear on what's working and what's not working, a good CFO can help create a clear picture for you.

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If Product B is a problem or draining cash, you need to pay attention to it long enough to decide if it's worth continuing to throw money at it.

But don't dawdle. Evaluate, decide, and then ACT. Don't waste any time squandering resources on a sinking ship—especially when you could be designing one that floats. And maybe more ships that float will earn you that obnoxiously big yacht.

OWL BELIEVES TWO THINGS ABOUT SMALL BUSINESS MONEY:

- > It should be stable and secure.
- > There should be more of it.