

Are You A Leader Or A Follower?

By John McAlister

Are you really that concerned with the sagging U.S. economy? Ok, the economy is dissatisfactory right now and will probably get worse before it improves. I could go on and on about why we should be looking skyward to see when it will all fall around us, but I will refrain. Instead, let us all say a little prayer, and then we can strategize, roll up our sleeves, and get our hands a little dirty so that we can take full advantage of what is staring us right in the face!

Yes, my friends, what is staring us blindly in the face is opportunity—plain, old-fashioned opportunity. As a financial advisor to some of the most successful family business entrepreneurs in the United States, I am active helping them sort out various opportunities for future growth, development and financial planning. Why you ask? It is simple really: Successful people view a struggling economic climate the same way as a good spring rain washes away the pollen and other winter debris. In other words, weaker companies will simply fade away while the stronger companies will not only survive, they will become stronger and increase market share.

If you are running scared right now: STOP! You should not be pulling back; instead you should be evaluating every position in your company for efficiency, asking employees for ideas to improve their departments, and gathering the troops for a team alignment day. You need to show your staff that you are in control, that you are not afraid of what is going on around all of us, and that you expect their “very best” each and every day. You need to do the same for yourself and determine how you can wisely invest (not spend) more of your company’s assets and do as one of my clients says, “Keep the gas tank full and be ready to pounce on the first opportunity.” So while your competitors are standing around looking for money to “fill their tank” you are already ahead and it will be more difficult for them to catch up.

Successful people did not become successful by being timid or foolish and they do not “follow the herd” so to speak. When it seems as though everyone around them is running away from the danger, they stand firm and face their issues. Lucrative people go against con-

ventional wisdom. They buy when others are selling, they borrow money when others are finding it increasingly difficult to obtain credit, and they hire “talent” away from businesses who can no longer afford to keep their key employees. In some cases, business owners must reduce their own compensation in order to see an even bigger payday in the not too distant future. Failure is not an option, and neither is



retreat, because if you “give ground” when the economy is less than perfect, you will pay twice as much or more in capital to gain it back when the economic climate improves.

As a business owner, you take on risks, both financial and emotional. You undoubtedly worry most about sales, accounts receivable, payables, and how any one decision you make affects the bottom line. Make no mistake: Your family business IS the financial engine that drives practically every decision for your family, financial and otherwise. Most people who work as wage earners never quite understand the hundreds of decisions business owners face each and every day, the risks they take, or what motivates them. (And by the way, it’s not the money. Because if it were, why do Bill Gates and Steven Jobs still work so many hours each and every week?)

Unfortunately, many employees are more concerned with the amount of their paycheck and when their next day off will be rather than how they can best make the company more successful. Employees who hold the opposite view make themselves invaluable to the organization and to you, the family business owner.

Capitalism forces business owners to constantly reevaluate and assess their strengths and weaknesses. Just as in a football game, a head coach relies on his assistant coaches and spotters to recognize weaknesses in an offense or defense. They must make quick decisions that may mean the difference between a win or a loss. As you discover a great idea that may enable your company to realize extra market share or profits, your competitors are looking for ways to exploit any possible weaknesses in your game plan. And hopefully, you are doing the same of their game plan.

Prosperous business owners spend a great deal of their time working ON their business and not IN it. You are the visionary, and the person taking the financial risks, so you should not also be the “worker bee.” Tony Bennett does not move his piano to the proper stage position, so neither should you do any heavy lifting in your company. You are the “talent” that everyone is coming to see perform. Your patrons are your employees, your customers, your family, and yes, even your competitors.

Just as in life, business has no guarantees. If your business does not become more efficient and does not continue to grow, it is dying. The economic climate will always, always present its challenges, and its opportunities. For those of you who always see the glass half full, and who welcome the challenge of what the marketplace has to offer, you can take this economy and make the next couple of years the very best for your company.

I would like to recommend a short inspirational video clip from the movie, “Facing the Giants.” Go to www.youtube.com and type, **facing the giants** in the search line. The video clip will be first on your left. After you view it, show it to your employees, and to your family, and then challenge yourself to do “your very best” during this demanding economic environment. You already know it will prove worthwhile. **TF**