

From the Handbook for Business, the Bible

31: Are you on the right road - part 1

Let's talk about the state of the small business sector in Australia: According to the latest COSBOA/Square research at June 2023, two numbers stand out; and they're not encouraging...

1. 43% of 2.5m small businesses are NOT making a profit after allowing an owner's wage
2. 75% of owners earn less than the average wages (around \$90k)

...Here's the link to the report: <https://www.cosboa.org.au/post/cosboa-square-quarterly-data-report>

...From Handbook session 2 in February, we noted 50%+ of startups fail within 3 years

If we cross-reference this data with the 44% of Aussies who claimed to be Christian in the last Census, there's clearly a lot of Christian business owners in categories (1) and (2) above!

And after 40+ years of research & observation, I see a major cause of this poor performance - people choosing to ignore Bible principles in their roles as business owners/leaders/managers.

What Handbook principle can we apply here?

One stands out, **Proverbs 14:12** - "*There is a way which seems right to a man, but the end thereof are the ways of death*" (KJV) or CEV: "*You may think you are on the right road and still end up dead*"

The inference here is that the road some owners chose seemed right at the time (i.e., how they grow & control their operation) but it turned out to be wrong.

Obviously, they don't set out to fail; but it happens despite a belief they're doing the right work, the right way as they travel along the right road; but too many still end in up 'dead' (i.e., failed).

Unfortunately, there isn't much valuable training available on how to investigate a business idea or how to launch a business that will succeed. On top of that, there's an Aussie pride thing, famously encapsulated in the song, "*I did it, I did it my way*" and that hinders people getting help.

In fairness, most owners do seek some advice before taking the plunge, but often their emotions override common sense; others do get advice after starting, often on specific issues and often from their accountant; others find a way to survive but are destined to never achieve greatness.

Today, the majority of business owners are doing what seems right but, the truth is, they're trapped on the wrong road and unlikely to move; and again, the Word of God nailed the issue in a single verse; others could transition to the right road but only when they realise their error!

What can business owners do, to get a glimpse of the right road?

You can only build a great business if you're on the right road, with a valid roadmap. Here are 3 switching strategies to start with, once you admit to yourself that 'something' needs to change:

1. **Switch focus from yourself to customers:** stop using this operation as a personal fiefdom, built for you and around you with everyone else there to serve you. The truth is, Jesus owns the business and you're His CEO; it's time to start acting like it
2. **Switch mindset from the status quo model that depends on you, to one that works without you:** it takes 12-24 months to set up; then retain, working less; hold as an investor; or sell
3. **Switch from a dream of making \$\$ for you to a vision of a better future for others:** prospects, customers & marketplace; and how your business will serve them by pursuing that vision

This is such a vital issue we will continue next week helping owners get onto the right road!