

Our Handbook for Business, the Bible

Avoiding disaster

Have you heard the idiom, *don't put all your eggs in one basket*?

It applies to life, investments and business...and the lesson is to diversify.

This principle virtually destroyed one famous company that began in 1768 and for more than 200 years dominated their market - I refer to Encyclopedia Britannica.

In the 1980s Microsoft approached them to collaborate on a CD-ROM version but they declined. After all, they were very profitable and controlled the market with a luxury brand and impeccable reputation! The board didn't believe a CD-ROM could compete with their product or even supplement their business model.

How wrong they were!

By sticking to that one basket, they missed the massive disruption caused by CD's and eventually online encyclopedias. The company was decimated by a product they could have been involved in!

My counsel for business owners:

Consider the EGGS as the products or services you offer; the BASKET as the marketplace you serve.

Study the Britannica saga; and while you're at it, check out what happened to Kodak the film company because they went the same way when digital photos emerged.

Is it possible you have put your business future at risk by a lack of diversification? For example:

...Does your success rely on one major customer, one industry or one market?

...Do you rely on one main supplier? One key staff member?

...Do you only have one offering instead of a good-better-best version?

Of course, if the principle doesn't apply and you choose to put all your eggs in one basket, make sure you watch it like a hawk; beware of external threats and expect the unexpected!

The Bible, our Handbook counsel for today, Ecclesiastes 11:2, Contemporary English Version...

"Share what you have with seven or eight others, because you never know when disaster may strike"

Other Scriptures (NKJV):

Psalm 32:8, *"I will instruct you and teach you in the way you should go; I will guide you with My eye"*

Psalm 127:1, *"Unless the LORD builds the house, they labor in vain who build it..."*

Proverbs 24:27, *"Prepare your outside work, make it fit...in the field...afterward build your house"*

Proverbs 27:23, *"Be diligent to know the state of your flocks, and attend to your herds"*

Zechariah 4:10, *"For who has despised the day of small things..."*