

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.

Breaching this principle virtually destroyed a famous company that began in 1768 and for more than 200 years dominated the 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, the market leader with an impeccable reputation! The board didn't believe a CD-ROM could compete with their product or even supplement their sales model.

How wrong they were!

By sticking to that one 'book-based' product, they missed the massive disruption that CD's caused their industry, and later more trouble came from online encyclopedias. The company was decimated by products they could have been involved in from the outset!

My counsel for you, business owners:

Consider the EGGS as the products or services you sell; consider the BASKET as the market niche you serve along with many competitors.

Study the Britannica saga; and while you're at it, check out what happened to Kodak the film company that went from market dominance to bankruptcy because they ignored the digital photo opportunity they could have taken up. Another big company...another disaster.

Is it possible your business future is also at risk from a lack of diversification? For example:

...Do you rely on one major customer? Or serving one industry?

...Do you have one main supplier? One key staff member? One way to attract new customers?

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

...Do you treat all customers the same, including the top 4%?

...Have you considered the disruption your industry is facing right now?

Of course, if you do choose to put all your eggs in one basket, make sure you watch it like a hawk; beware of external threats and always 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):

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

Psalms 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..."*