



Profit: Minimizing Common
Errors
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In this article I want to explore a concept that, from my experience dealing with small business owners, is often overlooked. The title *Minimizing Common Errors* can be applied to a variety of different concepts and strategies within your organization but in the theme of our published articles we will focus on some common short comings of small business.

I. Accounting

Unless your business is a private accounting firm and/or you are a CPA (Certified Public Accountant) you probably shouldn't be doing your own accounting. While many small businesses feel they can save money (rightfully so) by not hiring an account the headaches caused by incorrectly filing can be devastating. In the long run it is more profitable to hire a professional accountant from the start. While you may take an initial monetary loss you can be assured that your company is in compliance with all legal regulations. This will allow you to focus on what you are good at and free up additional time to build your business.

II. "Fake It till you Make It"

Just because you don't have the purchasing power or sales to emulate a larger company doesn't mean that you cannot negotiate like one. Many times small business owners get intimidated when dealing with clients in an industry they may not be familiar with. This can lead to poorly negotiated contracts that will not generate the profits possible. Understand that you want to avoid this type of behavior; *you know* the value that your company adds to its clients and/or business partners. While your books may not reflect the value you offer your customers/clients do not know that. Never be afraid of negotiating agreements that truly create a win-win scenario, not a win-lose to "get your foot in the door."

III. Understand your niche

This last piece is more for our future business owners & Eureka! partners reading our articles but can also relate to current business owners.

Niche: (noun) place or position suitable or appropriate for a person or thing
(Via www.Dictionary.com)

Know where you fit and focus on that initially. Eventually expansion is plausible but initially your best investment to increase your value is to focus on what your business is strong at. A perfect example is when a few colleagues of mine and I met for lunch one day at a pizza place. The shop had an Italian Ice freezer below the pizzas. My friend decided he wanted some ice and bought some. About 3 hours later he had an intense stomach virus. Point in case; none of us will ever buy their deserts again. The pizza place knew how to make an excellent pizza but lacked in proper preparation and maintenance of their frozen deserts.