

## Changes

From June Cape Cod Times

It was once said that the only constant in business or life is change. Nothing's changed since then.

Most of the great works of fiction or stage involve the establishment of a character, and then an event or "hook" which enters into that character's life and creates a change. We enjoy watching the reactive evolution and growth of the character. Sounds like business to me.

Most businesses start with the kernel of a really great idea or possibly someone's spellbinding personality. If successful, it strikes a pace which seems to make everyone happy - someone is making a profit and the customers are satisfied. A lot of times here's where the hook comes in. Some business owners want to increase the net by increasing the gross so they make it "better" by enlarging or taking on more help or product lines. It's not always positive cause and effect to the bottom line.

Most small businesses ( The government calls those "under \$5 Million in Gross" have an optimum effective size / reach balance. Not every business is scalable to any proportion - only the lucky ones. There's a lot of people who send their business down the chute by making it bigger or by reaching too far too soon. And there's just as many who wither from lack of growth

In the sport of shooting skeet ( a clay pigeon ) you are given 30 rounds to hit 30 targets. No more no less. One round, one target There's a lesson there.

The ones that fascinate me are the "personality businesses". I have a friend who happens to sell a certain product but you could probably move all his inventory out over the weekend and replace it with almost any other product and Monday morning he'd do just fine. Not many like him.

But even with the star performer who could sell empty cans to tourists there is a certain point at which bigger is not better. Or maybe smaller is worse. Maybe there's an equation balancing the right proportions of time, gross, net and growth. Maybe there's a place in the formula for luck and hard work. Maybe not.

According to the Small Business Administration, small businesses account for 99.7 % of all employers, 53 % of the country's private (non-governmental) workforce and represent 96 % of all U.S. exporters.

That means that about half of us work for the .3 % (that 3/10's of one percent) of the companies in existence. That's a whole bunch of people working for a real short number of gigantic companies that sell mostly to - ourselves. It follows that a amazingly few companies have found the ability to grow to gigantic proportions.

In the business news we tend to hear of the extreme cases of outright disaster or miraculous success. Maybe they violated the formula. But the bulk of us small business people just sort of make up our own formula on the way to work every morning and get along okay in the end.