

Being Responsible Your Business Decisions

Business owners and executives make decisions every day that affect the health and long term viability of their businesses. Decisions made today can determine whether the business will still be around in a few years time. For example, many banks and other financial institutions that had invested heavily in sub-prime mortgages in recent years have now gone under, been acquired, or have been bailed out by the federal government. Household names such as Washington Mutual, Wachovia, Bear Stearns, and Goldman Sachs are just some of the recent casualties of the sub-prime mortgage fallout. Whether you are running a large or small business, the decisions that you make today will determine whether your business will remain healthy and continue to grow into the future, or whether the business will be overwhelmed by changing market conditions and be forced to close its doors.

In the latest financial crisis, people are pointing fingers at one another as to who is to blame for the sub-prime mortgage meltdown and the demise of their companies. They are blaming retail mortgage brokers for assisting homeowners to submit their mortgage loan applications to the banks. They are blaming investors for having the appetite to buy more mortgage backed securities and therefore encouraging them on the sub-prime road to ruin. The list of who is to blame is endless. Everyone is blaming someone else for their problems. It seems like none of the CEOs are taking responsibility for their role in creating this mess. It was not their fault. Someone else was responsible. Yet many of these same executives were happy to receive higher pay and bonuses for the profits that they made from sub-prime mortgages just a few years back. When times were good, they were willing to admit that it was all due to their genius, but when times became bad, it was not their fault.

Just like the CEOs at the large financial institutions that went under, many

people tend to go into non-responsibility whenever they suffer setbacks or encounter misfortunes. *It was not my fault, the market turned against me. The timing was not right. I would have made a million bucks but someone else came in and stole the opportunity away from me.* The explanation for their demise is always about something that is *out there*. Most people do not look in the mirror for the answers. What active role did they play in creating the situation that resulted in the company's financial demise? What are they prepared to take responsibility for?

As the key decision maker of your business, the burden of making the critical decisions falls on you. It's your money, therefore it's your responsibility. You get to reap more of the rewards if the business is successful and you stand to suffer more of the losses if the business fails. Being responsible for your business means that you are actively engaged in moving your business in the direction that you have chosen. It allows you to be in full control the destiny of your business and its ultimate success.

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