



# Building a Profitable Mindset—Making Every Employee a Profit Center

Profit is typically thought of by the CEO, owner, and accountants while the sales department thinks of revenue, marketing thinks of gross margin, and engineering considers cost after all of the features have been added. The results in a profit margin that is akin to the leftovers after all of the organization's departments have dined.

How can this mindset be altered?

What if every employee thought of profit first as a normal process of their day? Here are three ways these Profitable Habits™ manifest themselves in every day activities?

## Business Disciplines

The main factor in the systemic lack of thinking of profits is the poor understanding of how a business operates. I call these operational practices business disciplines. These disciplines are the fundamental processes and procedures any successful business repeatedly uses to get consistent results. Some examples are: making decisions, solving problems, setting priorities, and collaboration.

It is not enough that the leadership of your firm uses formalized versions of these disciplines. These processes should be shared with all departments and implemented throughout the company as common practices. The processes may have to be modified or simplified for certain areas, but using a common process base will help ensure consistent operational flow in the organization. It will also instill a sense of pride in the employees when they are considered important and empowered by the company leadership.

## Collaboration

No organization or individual can survive, let alone thrive, with the “I must do this alone” mindset. This fatal belief holds present and future customers at bay as well as potentially profitable partnerships with suppliers and companies in adjacent markets.

The ability and willingness to work with others toward a common goal is a Profitable Habit that a successful business possess. These others can be colleagues, subordinates, suppliers, and customers. The modern world is a connected one and not just via technology. Success requires individuals, departments, and teams working together effectively toward a common goal.

The Profitable Habit of collaboration allows a company to see opportunities for success where others will only see threats. They are then able to take full advantage of the opportunity instead of retreating to safer harbors where the risks may be lower but the rewards definitely are.



## Handling Ambiguity

Risk and the “unknown” is all around us and it is inevitable that significant and unexpected events will disrupt your business. The most successful organizations are those that can navigate through these periods of discontinuity while maintaining perspective, composure, and effective leadership. The true test of a profitable business, and its leaders, is how they react when these events occur.

The ability to handle high levels of ambiguity in life and in business is rooted in both self-confidence and in experiences. Succeeding in other situations where the outcome was far from guaranteed and the path far from clear builds character, confidence, and therefore a higher tolerance for ambiguity.

Nothing is certain in life or business. The profitable habits in the business disciplines, such as problem-solving and decision-making processes, along with experience and self-confidence will give the leaders the wherewithal to navigate through the challenges that lie ahead.

## Conclusion

Your organization has the expertise necessary to be profitable. What is needed is the freedom to show what greatness they can achieve. The proper application of these and other Profitable Habits will improve customer and employee satisfaction and your organization’s results.

Contrary to most modern business practice, these improvements can be achieved with little monetary investment. What it does take, however, is a commitment to trust your employees to do their utmost to further the company, and then provide them the tools to do it. The level of success achieved is more dependent on the organization’s ability and willingness to empower employees with the tools and the trust to do what is necessary than it is on the skills of the employees.

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*Doug Ringer, the author of “The Profit Imperative” and “The Product Rocket,” works with leaders who want to think strategically, grow dramatically, compete successfully, and develop profitable habits within their organizations. He can be reached at 502-509-9746 and [doug@dougringer.com](mailto:doug@dougringer.com). Follow his work at [www.dougringer.com](http://www.dougringer.com) and on Twitter @doug\_ringer.*