

Time for reflection

By Jim Morphey

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I recently found two definitions for the word “stakeholder”

- A person with an interest or concern in something, especially a business¹
- One who holds money bet by others and pays it to the winner²

The success of any enterprise depends on many stakeholders. For example, your **customers**. Why should I spend my hard earned money in your store instead of somewhere else? Will you help me select the best product for my individual needs and will you be there to assist me when I need help? Do you offer the best value and service, widest selection, and the best shopping experience?

Then there are your **suppliers**. Do you represent my products better than other retailers in your market? Are you easy to do business with? Are you fair and reasonable? Would I be proud to have you be the “face” to my target consumer? Are you financially solvent and are you in it for the long haul? Will you be in a position to merchandise and promote my products?

What about **financing sources**? How do I know I can trust you with my firm’s money and be repaid? Are your financial trends indicative of a business that will not only succeed in the future but grow? Assuming you are profitable, are you retaining profits in the company and maintaining an adequate balance sheet? As for cashflow trends, does the business generate its cost of capital at a minimum?

And the most important one, your **employees**. Does your business represent a future opportunity for financial, personal, and professional growth? Beyond the basics of salary and benefits, is your business the kind of place I want to spend the majority of my days for the next 10 to 30 years? Do you motivate me to do my best? Carefully take care of customers?

And lastly, the **business owner - yes that’s you**. Is the business generating sufficient returns based on the investment of time, money, and resources needed? Do you have a short and long-term vision, and a reasonable road map on how you’ll get there?

Too often many of us wake up one day to find we’ve simply fallen into our current professions with some hard work and a great deal of luck, without much planning. I’ll admit that after more than 40 years in the industry, this has been the case for me.

But, I realized that it’s never too late to change your destiny. A good place to start is with your stakeholders. Make a list of everyone who depends on your success and find the answers to the above questions. If the answers aren’t positive, ask your stakeholders for help. Stakeholders want to be associated with **winner**.

Together we’ll go far



Jim Morphey is the vice president of corporate development for Wells Fargo Commercial Distribution Finance (CDF). Morphey has more than 40 years of management experience in consumer finance, trade credit, and most recently with domestic and international inventory financing, as well as factoring. Morphey's career has been devoted almost entirely to the domestic consumer electronic, appliance, and outdoor power industries. His background includes executive assignments in operations, credit, and relationship management at the national level with Whirlpool, Whirlpool Financial Corporation, Transamerica Distribution Finance, and senior relationship assignments at GE Capital.

Morphey received a Bachelor of Science in Management from Northern Illinois University. He was a member of the Association for Finance Professionals (AFP). He earned professional certifications from The National Association of Credit Management/Credit Research Foundation (NACM/CRF) Graduate School of Credit & Financial Management held at Dartmouth College, and also from The Finance, Credit, and International Business Association (FCIB). Morphey has published many articles on the topics of inventory management as well as cashflow. He also helped produce a six part video series on a variety of cashflow topics which may be found at www.cdf.wf.com/learningcenter. Morphey and his family reside in southwestern Michigan.

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¹ Oxford Dictionary

² Collins American Dictionary

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