

Hey, as a leader, are you more focused on customers signing on the dotted line or increasing the company's bottom line? How you answer that question will reveal a whole lot about you and a whole lot about your organization!

Just what do those phrases even mean? Let's start with "signing on the dotted line." If you're a math nerd ...wait just a minute, I'm not talking about a dotted line on a graph. Instead, I'm talking about when a deal has been negotiated and that deal is ready to execute in writing...then, for ages, the tried-and-true saying is that you're finalizing the legal agreement between the two parties by "signing on the dotted line."

So, when you're working to increase sales in your organization, your sales managers are likely to say something like this to the company salespeople: "Get out there and get 'em to sign on the dotted line!" Remember, the dotted line is what finalizes that legal agreement, that legal contract, in writing. Yes, signing the dotted line seals the deal!

Now, to be sure, not every contract is in writing. In fact, you and I have entered into contracts many times without putting them in writing...that's called an oral contract, you know, totally done verbally—like when someone buys a hot dog to eat from you as a street vendor. That type of contract can be just as legally binding as a written contract...if you don't believe that, how about that lawyer who calls you when your customer becomes very ill from eating that hot dog that went bad with food poisoning before you sold it?

But most large, high-dollar contracts are done in writing and signed on the dotted line by both parties. When you sign on the dotted line, whether for you personally or on behalf of your company, you and the other party to the contract are agreeing to specific commitments detailed in the contractual agreement. To every organization's Vice President of Sales, getting a whole lot of happy customers to sign on the dotted line is what creates prosperity for the company and for all those commission-earning salespeople capturing those sales! That's right, every sale adds prosperity for everybody involved!

Except when it doesn't. You see, if the price of a company's products or service offerings is too low—well, then, that means that sales can actually lose money for the company. That's a bad thing, right? So, when does that happen? When the sales price of a product doesn't cover the cost of producing and servicing the product. Now that would be kind of silly, right? Why would anyone do that? Well, for two key reasons.

First, when the company's leaders don't have a good handle on all the finances of the company and misprice their products or service offerings. Second, when competitors simply are better at competing and efficiency, and can offer products or service at a lower price. That's what's happened for decades by Walmart...a company that often blows away its competitors by its very efficient processes and high employee productivity...and that allows Walmart to pass on its substantial savings to its customers.

And that's where the "bottom line" comes in. Of course, you might know exactly where the phrase "bottom line" comes from—when professional accountants prepare financial statements, sales are shown at the top of the statement, then come all the various expenses that are then subtracted from the sales, and the hopefully-happy result is *profit*, right there on the "bottom line" of the financial statement! That's right, the profit is literally recorded on the very bottommost line of the financial statement. So, to be a good financial steward for its owners, every company wants to increase its bottom line. And that's exactly what great companies do over a long period of time—increase their bottom line of profit as stewards on behalf of the owners who invest in the company.

But here's the catch: with every company acting as a steward for its customers in order to make money for its owners, free markets quickly morph themselves into fostering strong competition such that customers have many options. It's really pretty simple: customers can select from among many companies offering similar products in each category, like candy or flashlight batteries or hamburgers. Because of this





competition, creating a strong bottom-line profit year after year is really, really hard, because all of your competitors are working nonstop to move your customers' loyalty away from you. Yep, that what's each and every one is doing, working constantly every day to disrupt your company.

And many times, your competitors do that by simply lowering the price of the product or service a lot, a whole lot. Yes, indeed, they openly, brazenly, constantly work to steal your customers away by offering better pricing, getting your customers to "sign on *their* dotted line" instead of yours! Sound simple, straightforward, and brutal? Well, when you are competing against dozens or hundreds or thousands of competitors, it's not so simple or so straightforward—but it is brutal!

So here's the point. The dotted line signed with your customers can be—and often is—in direct tension with the bottom line of your enterprise. Here's what I mean. If you lower the price too far on your products because of the power and strength of your competition, you can be actually lowering your profit, that means you're decreasing your bottom line—perhaps all the way to incurring a loss for the year for your company. And if your company does that for too long, then you have organizational failure—bankruptcy.

The dilemma of these marketplace dynamics is this: is every sale a good sale? In other words, is every time you sign the dotted line helping your bottom line? Well, maybe so, or maybe not...you simply gotta pay attention in the midst of the heated competition in your marketplace to discern that, and if you don't do just that quite rapidly, it may soon be too late.

All this is the manifestation of what I call competing stewardships, and that's the compelling topic you can review at one of the videos in the Lasting Greatness series found at whitestone.org/seminars. You see, as the leader of the organization, you need to be a great steward of the customers—keeping prices low and service levels high whenever you sign the dotted line with the customers—while simultaneously you must be a great steward of the owners by making a profit and doggedly enhancing the owners' investment by keeping the company profitable. Those are two of the stewardships that compete against each other—meaning that astute leaders must be a great steward of both customers and owners...at the same time!

Here's the big-picture truth. At the basic human level of desire, customers would be happy, at least for a while, for executives to sacrifice their responsibilities to owners to give them as customers a big price break. At the same time, owners would be happy for customers to accept higher prices in order for the company to make more money. But the success of the executive depends upon being a great steward for both customers and owners simultaneously. And great executives do just that...they manage that tension!

Now, let's get to the amazing foundation of it all. The example of the Kingdom of God always leads the way—this time in this area of competing stewardships. Jesus' offering on the Cross—creating the utterly unique service of salvation, eternal life, and Kingdom citizenship—is at the lowest possible price to the beneficiary: zero. This transaction that is actually a *gift* of grace...this dotted-line opportunity...is at no cost to the recipient! And our Father is most certainly pleased about the freshly-minted citizenship of the newest believer in the Kingdom of God. After all, Peter tells us that God's wish is that none would perish!

All that means is that born-again believers, like a very elite customer, receive special service offerings of incomparable value: in this case, salvation...eternal life...Kingdom citizenship. Now that's a dotted line to sign on to! And God gets exactly the bottom-line result that He wants, what He counts as "profit"—a Kingdom full of "whosoevers" who did indeed respond and call upon the name of his Son Jesus!

Now that's a stewardship harmony of unparalleled value. And our shocking, humbling role as believers is to communicate that astonishing opportunity to all the "whosoevers" around the world, to every tribe and to every nation! The dotted lines of responses to the Gospel work to create the most powerful bottom line ever. That is the perfect handling of stewardship by none other than Jesus! How amazing is *that*?



A&A: Application & Action

| 1. | Is your enterprise—your business, your nonprofit—more focused on the dotted line or the bottom line? Explain. |
|----|---|
| 2. | Does your church focus like a great steward for the Kingdom on the God-defined "whosoevers" (John 3:15) in the worldwide marketplace opportunity of tribes and nations? Describe how your church's outreaches do this. Then, answer this: how many "whosoever" people were added last year as part of these outreaches, like three thousand were added in the early church after Peter's message (Acts 2:41)? |
| 3. | How have you as a leader addressed the upcoming threats by competitors to disrupt your stewardship of both your customers and your owners? Describe your strategy. |