

by Rus Kinzinger

# Never Skip These Important **First Steps**

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*Considering a retail thrift business? Impressed with the opportunity to make money while simultaneously helping your clients? Excited about the chance to do your part in reducing the tonnage of discarded clothing and other goods going into the garbage dump? Wonderful --*

You will find Talon Company to be your biggest enthusiast! May your kind increase! Before you initiate steps to pursue a double or triple<sup>1</sup> bottom line, however, you may want to consider whether it's wise to chase goals beyond *economic* when you launch your business enterprise. Let's consider briefly.

## **First Things First**

As with any initiative, proper start-up of a retail thrift store requires substantial pre-planning. Generally speaking, there is a greater likelihood of business success if you conduct a thorough pre-launch investigation of viability. This is called a feasibility study. Here are a few other benefits of aggressive pre-planning. You will:

- **Understand** your business in the broad context of your community.
- **Establish** a laser focus on your business model
- **Identify**, quantify, and qualify your *competition*
- **Evaluate** technical feasibility
- **Consider** existing organizational and managerial capacities
- **Flush-out** the stealthy warning signs when an idea lacks merit.

Remember this admonition which I learned from my own mistakes—it is much easier, better, and ultimately

less painful to vet an idea if you are not emotionally vested in making the idea work.

Well, you get the idea. Although I could list many more values to conducting a pre-launch due-diligence study, I doubt that you need convincing—the connection between conscientious planning, and success, is too well-established in the literature of the field to ignore.

## **Make That a Double or Triple**

Now let's return to our initial question of whether it is wise to pursue a double (or triple) bottom line at startup. For the sake of brevity, I recommend against it. Here's why. Profitability should be your first concern. If your store fails to provide a return that exceeds its costs, it will die a sure death. If you spread agency energy and resources trying to make financial, social and environmental goals work, you reduce the likelihood that even one of them will be attained. Far better to achieve good net returns *then* turn attention to social and environmental goals if you wish. Once you have steady profitability, you have earned the right to spread your wings and fly a bit.

Remember . . . have fun! This is great stuff and it can do wonders for your organization.

<sup>1</sup> In practical terms, triple bottom line accounting means expanding the traditional reporting framework to take into account *environmental* and *social* performance in addition to financial performance. (Wikipedia)

