



Don't Settle for Half an Answer: Learn Your Business

Becoming an independent operator requires applying yourself to learn a specific set of skills that will provide a respectable return on invested dollars, time and financial liability (risk). Many things have been written and said about fuel consumption, trip planning etc. but there are many other issues that continue to reveal themselves as critical to the long-term survival of an operator.

For example, understanding the risks of Driver Inc. issues when exposed to them requires a driver to pay attention to the risks. Far too often, drivers believe only what they want to believe, hear only what they want to hear or... unfortunately, place their trust in the wrong people.

After speaking at a recent seminar, I spoke with a recruiter who asked me about one of my clients. Apparently, my client mentioned that I had a few positions that worried the recruiter. After hearing what the client told her, I could understand the recruiter's concerns. The way it was presented by my client to her was nearly the exact opposite of my position (or very skewed). I thanked her for asking me about it and I hope I alleviated her concerns with my response.

This certainly is not the first time this has occurred. In fact, I have been 'quoted' as saying many things I don't agree with or haven't even said. Misunderstanding an issue (especially a critical one) is too often just lazy thinking. And someone seeking a quick, one-line answer to a broad issue is often not enough investigation.

When a driver wishes to become a professional, they need to apply themselves to the facts within their industry. This means not just keeping the truck between the ditches but to understand business and relationships within their industry. It means they need to understand every aspect of their venture, including unpopular things like tax implications and cash flow. Blaming the wrong entity when things go sideways is just immaturity.

I have seen an operator blame a carrier for: poor fuel costs, maintenance issues, late loads, damaged shipments... virtually everything. Far too often the real issue is the driver's inability to take responsibility for their own actions or (mostly) creating unreal expectations in their own minds and assigning blame to everybody else.

Being an independent operator requires taking on all responsibilities for all results and making active and strategic choices to create the best chance for their success. What specific actions can be taken to produce the highest return on invested time/effort/money? Just 'doing what you want to do' will not automatically produce a respectable return on investment. Appropriately and strategically acting on the facts in your business will produce the respected return on investment.

Being an accountant to operators, I have witnessed numerous clients who refuse to think through what they are doing (tax wise). It's like they throw their brains into neutral as their eyes glaze over. They do not want to think, they do not want to change what they do, even if it shows they will lose thousands of dollars doing it 'their way'. This type of stubbornness is very self-destructive. Using the excuse 'I don't understand taxes' is not an acceptable way for a professional operator to operate. If you don't want to learn the essentials of business success... maybe you should go back to being a company driver. Stop wasting your time and energy trying to make a business work without first understanding HOW it works.

I'm a big fan of the TV shows Dragons Den and Shark Tank. Often you see why a new business will not succeed. This is because one of the fundamental issues of successful

business models is accumulating the accurate understanding of your industry, customer, market and cash flow. Successful business people understand their numbers. If you don't put in the time... don't bother wasting your dime.

Every day, every trip, every year requires your full attention; it demands your best effort. If you want to be the best, don't settle for half an answer to what happened; learn your business.

About the Author:

Robert D. Scheper is a leading Accountant and Consultant to the Lease/Owner operator industry in Canada. His first book in the Making Your Miles Count series "taxes, taxes, taxes" was released in 2007. His firm exclusively serves Lease/Owner Operators across Canada. His second book "Choosing a Trucking company" is the most in-depth analysis of the operator industry available today. He has a Master degree (MBA) in financial management and has been serving the industry since he and his wife came off the road in 1993. His dedication, commitment and strong opinions can be read and heard in many articles and seminars.

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